

## §742.1

## INTRODUCTION

In this part, references to the Export Administration Regulations (EAR) are References to 15 CFR Chapter VII, Subchapter C.

*(a) Scope*

This part describes all the reasons for control reflected in the Country Chart in Supplement No. 1 to part 738 of the EAR. In addition, it includes licensing requirements and licensing policies for the following items that are not reflected on the Country Chart: specially designed implements of torture, high performance computers, and communications intercepting devices. In addition to describing the reasons for control and licensing requirements and policies, this part describes any applicable contract sanctity provisions that may apply to specific controls and includes a description of any multilateral regime under which specific controls are maintained.

*(b) Reasons for control listed on the CCL not covered by this part*

This part describes the license requirements and the licensing policies for all the "Reasons for Control" that are listed on the Commerce Control List (CCL) *except* "Short Supply" and "U.N. Sanctions", which do not appear on the Country Chart.

**(1) Short Supply.** ECCNs containing items subject to short supply controls ("SS") refer the exporter to part 754 of the EAR. These ECCNs are: 0A980 (Horses for export by sea); 1C980 (certain inorganic chemicals); 1C981 (Crude petroleum, including reconstituted crude petroleum, tar sands, and crude shale oil); 1C982 (certain other petroleum products); 1C983 (Natural gas liquids and other natural gas derivatives); 1C984 (certain manufactured gas and synthetic natural gas (except when commingled with natural gas and thus subject to export authorization from the Department of Energy); and 1C988 (Western red cedar (*Thuja plicata*) logs

and timber, and rough, dressed and worked lumber containing wane).

**(2) U.N. Sanctions.** The United Nations imposes sanctions, short of complete embargoes, against certain countries which may result in controls that supplement those otherwise maintained under the EAR for that particular country. This part does *not* address license requirements and licensing policies for controls implementing U.N. sanctions. CCL entries containing items subject to U.N. sanctions will refer the exporter to part 746 of the EAR, Embargoes and Other Special Controls, for any supplemental controls that may apply to exports and reexports involving these countries.

*(c) Exports and reexports involving Cuba, Libya, Iraq, Iran, and the Bosnian Serb-controlled areas of Bosnia-Herzegovina*

This part does *not* cover license requirements and licensing policies that apply to exports and reexports to embargoed destinations (Cuba, Libya, Iraq, Iran and the Bosnian-Serb controlled areas of Bosnia-Herzegovina). These comprehensive embargoes cover a broader range of items than those reflected in the CCL. If you are exporting or reexporting to any of these destinations, you should first review part 746 of the EAR, Embargoes and Other Special Controls.

*(d) Anti-terrorism Controls on Cuba, Libya, Iran, Iraq, North Korea, Sudan and Syria*

Commerce maintains anti-terrorism controls on Iran, North Korea, Syria and Sudan under section 6(a) of the Export Administration Act. Items controlled under section 6(a) to these three countries are described in Supplement No. 2 to part 742. Commerce also maintains controls under section 6(j) of the EAA to Cuba, Libya, Iraq, Iran, North Korea, Sudan and Syria. Items controlled to these seven countries under EAA section 6(j) are also described in Supplement 2 to part 742. The Secretaries of Commerce and State are required to notify appropriate Committees of the Congress 30 days before issuing a license for an item controlled under section 6(j) to Cuba, Libya, North Korea, Iran, Iraq, Sudan or Syria.

As noted in paragraph (c) of this section, if you are exporting or reexporting to Cuba, Libya, Iran, and Iraq, you should review Part 746 of the EAR, Embargoes and Other Special Controls.

***(e) End-user and end-use based controls***

This part does not cover prohibitions and licensing requirements for exports of items not included on the CCL that are subject to end-use and end-user controls: certain nuclear end-uses; certain missile end-uses; certain chemical and biological weapons end-uses; certain naval nuclear propulsion end-uses; certain activities of U.S. persons; certain exports to and for the use of certain foreign vessels or aircraft; and certain exports to all countries for Libyan aircraft. Licensing requirements and policies for these exports are contained in part 744 of the EAR.

***(f) Overlapping license policies***

Many items on the CCL are subject to more than one type of control (e.g., national security (NS), missile technology (MT), nuclear nonproliferation (NP), regional stability (RS)). In addition, applications for all items on the CCL, other than those controlled for short supply reasons, may be reviewed for missile technology (see §742.5(b)(3) of this part), nuclear nonproliferation (see §742.3(b)(2) of this part), or chemical and biological weapons (see §742.2(b)(3) of this part), if the end-use or end-user may be involved in certain proliferation activities. Finally, many multilaterally controlled items are reviewed for anti-terrorism reasons if they are destined for a terrorism-supporting country (see paragraph (d) of this section). Your application for a license will be reviewed under all applicable licensing policies. A license will be issued only if an application can be approved under *all applicable* licensing policies.

**§742.2**

(B) This licensing requirement does not

**PROLIFERATION OF CHEMICAL AND BIOLOGICAL WEAPONS**

***(a) License requirements***

The following controls are maintained in support of the U.S. foreign policy of opposing the proliferation and illegal use of chemical and biological weapons. (See also §742.18 of this part for license requirements pursuant to the Chemical Weapons Convention).

(1) If CB Column 1 of the Country Chart (Supplement No. 1 to part 738 of the EAR) is indicated in the appropriate ECCN, a license is required to all destinations, including Canada, for the following:

(i) Human pathogens, zoonoses, toxins, animal pathogens, genetically modified microorganisms and plant pathogens identified in ECCNs 1C351, 1C352, 1C353 and 1C354; and

(ii) Technology (ECCNs 1E001 and 1E351) for the production and/or disposal of microbiological commodities described in paragraph (a)(1)(i) of this section.

(2) If CB Column 2 of the Country Chart (Supplement No. 1 to part 738 of the EAR) is indicated in the appropriate ECCN, a license is required to all destinations *except* countries in Country Group A:3 (see Supplement No. 1 to part 740 of the EAR) (Australia Group members) for the following:

(i) Chemicals identified in ECCN 1C350 (precursor and intermediate chemicals used in the production of chemical warfare agents).

(A) This licensing requirement includes chemical mixtures identified in ECCN 1C350.a, .b, .c, or .d, except as specified in License Requirements Note 2 to that ECCN.

include chemical compounds created with any

chemicals identified in ECCN 1C350, unless those compounds are also identified in ECCN 1C350.

(C) This licensing requirement does *not* apply to any of the following medical, analytical, diagnostic, and food testing kits that consist of pre-packaged materials of defined composition that are specifically developed, packaged, and marketed for diagnostic, analytical, or public health purposes:

(1) Test kits containing no more than 300 grams of any chemical controlled by ECCN 1C350.b or .c (CB-controlled chemicals also identified as Schedule 2 or 3 chemicals under the CWC) that are destined for export or reexport to CWC States Parties (destinations listed in Supplement No. 2 to part 745 of the EAR). Such test kits are controlled by ECCN 1C395 for CB and CW reasons, to States not Party to the CWC (destinations *not* listed in Supplement No. 2 to part 745 of the EAR), and for AT reasons.

(2) Test kits that contain no more than 300 grams of any chemical controlled by ECCN 1C350.d (CB-controlled chemicals not also identified as Schedule 1, 2, or 3 chemicals under the CWC). Such test kits are controlled by ECCN 1C995 for AT reasons.

(ii) Software (ECCN 1D390) for process control that is specifically configured to control or initiate production of the chemical precursors controlled by ECCN 1C350.

(iii) Technology (ECCNs 1E001 and 1E351) for the production and/or disposal of chemical precursors described in ECCN 1C350, and technology (ECCNs 1E001 and 1E350) involving the following for facilities designed or intended to produce chemicals described in 1C350:

(A) Overall plant design;

(B) Design, specification, or procurement of equipment;

(C) Supervision of construction, installation, or operation of complete plant or components thereof;

(D) Training of personnel; or

(E) Consultation on specific problems involving such facilities.

(3) If CB Column 3 of the Country Chart (Supplement No. 1 to part 738 of the EAR) is indicated in the appropriate ECCN, a license is required to Country Group D:3 (see Supplement No. 1 to part 740 of the EAR) for the following:

(i) Equipment and materials identified in ECCN 2B350 or 2B351 on the CCL, and valves controlled by ECCN 2A226 or ECCN 2A292 having the characteristics of those described in 2B350.g, which can be used in the production of chemical weapons precursors or chemical warfare agents;

(ii) Equipment and materials identified in ECCN 2B352, which can be used in the production of biological agents;

(iii) Medical products identified in ECCN 1C991.d;

(iv) Technology identified in ECCN 2E001, 2E002, or 2E301 for:

(A) The development, production, or use of items controlled by ECCN 2B350, 2B351, or 2B352; or

(B) The development or production of valves controlled by ECCN 2A226 or 2A292 having the characteristics of those described in ECCN 2B350.g; and

(v) Technology identified in ECCN 2E201 or 2E290 for the use of valves controlled by ECCN 2A226 or 2A292 having the characteristics of those described in 2B350.g.

(4) A license is required, to States not Party to the CWC (destinations *not* listed in Supplement No. 2 to part 745 of the EAR), for mixtures controlled by ECCN 1C395.a and test kits controlled by

ECCN 1C395.b.

***(b) Licensing policy***

(1) License applications for the items described in paragraph (a) of this section will be considered on a case-by-case basis to determine whether the export or reexport would make a material contribution to the design, development, production, stockpiling or use of chemical or biological weapons. When an export or reexport is deemed to make such a material contribution, the license will be denied. When an export or reexport is intended to be used in a chemical weapons or biological weapons program, or for chemical or biological weapons terrorism purposes, it is deemed to make a material contribution. The factors listed in paragraph (b)(2) of this section are among those that will be considered to determine what action should be taken on license applications for these items.

(2) The following factors are among those that will be considered to determine what action should be taken on license applications for the items described in paragraph (a) of this section:

(i) The specific nature of the end-use, including the appropriateness of the stated end-use;

(ii) The significance of the export and reexport in terms of its potential contribution to the design, development, production, stockpiling, or use of chemical or biological weapons;

(iii) The nonproliferation credentials of the importing country, including the importing country's chemical and biological capabilities and objectives;

(iv) The risk that the items will be diverted for use in a chemical weapons or biological weapons program, or for chemical weapons or biological weapons terrorism purposes;

(v) The reliability of the parties to the transaction, including whether:

(A) An export or reexport license application

involving any such parties has previously been denied;

(B) Any such parties have been engaged in clandestine or illegal procurement activities;

(C) The end-user is capable of securely handling and storing the items to be exported or reexported;

(vi) Relevant information about proliferation and terrorism activities, including activities involving the design, development, production, stockpiling, or use of chemical or biological weapons by any parties to the transaction;

(vii) The types of assurances or guarantees against the design, development, production, stockpiling, or use of chemical or biological weapons that are given in a particular case, including any relevant assurances provided by the importing country or the end-user;

(viii) The applicability of other multilateral export control or nonproliferation agreements (e.g., the Chemical Weapons Convention and the Biological and Toxin Weapons Convention) to the transaction; and

(ix) The existence of a pre-existing contract.

(3) BIS will review license applications in accordance with the licensing policy described in paragraph (b)(1) of this section for items not described in paragraph (a) of this section that:

(i) Require a license for reasons other than short supply; *and*

(ii) Could be destined for the design, development, production, stockpiling, or use of chemical or biological weapons, or for a facility engaged in such activities.

***(c) Contract sanctity***

Contract sanctity dates are set forth in Supplement No. 1 to part 742. Applicants who wish that a

pre-existing contract be considered in reviewing their license applications must submit documentation sufficient to establish the existence of such a contract.

***(d) Australia Group***

The Australia Group, a multilateral body that works to halt the spread of chemical and biological weapons, has developed common control lists of items specifically related to chemical and biological weapons. Australia Group members are listed in Country Group A:3 (see Supplement No. 1 to part 740 of the EAR). Controls on items listed in paragraph (a) of this section are consistent with lists agreed to in the Australia Group.

**§742.3**

**NUCLEAR NONPROLIFERATION**

***(a) License requirements***

Section 309(c) of the Nuclear Non-Proliferation Act of 1978 requires BIS to identify items subject to the EAR that could be of significance for nuclear explosive purposes if used for activities other than those authorized at the time of export or reexport. ECCNs on the CCL that include the symbols "NP 1" or "NP 2" in the "Country Chart" column of the "License Requirements" section identify items that could be of significance for nuclear explosive purposes and are therefore subject to licensing requirements under this part and under section 309(c) of the Nuclear Non-Proliferation Act of 1978. These items are referred to as "The Nuclear Referral List" and are subject to the following licensing requirements:

(1) If NP Column 1 of the Country Chart (Supplement No. 1 to part 738 of the EAR) is indicated in the appropriate ECCN, a license is required to all destinations except Nuclear Suppliers Group (NSG) member countries (Country Group A:4) (see Supplement No. 1 to part 740 of the EAR).

(2) If NP Column 2 of the Country Chart (Supplement No. 1 to part 738 of the EAR) is indicated in the applicable ECCN, a license is required to Country Group D:2 (see Supplement No. 1 to part 740 of the EAR).

(3) Other nuclear-related license requirements are described in §§744.2 and 744.5 of the EAR.

***(b) Licensing policy***

(1) To implement the controls in paragraph (a) of this section, the following factors are among those used to determine what action should be taken on individual applications:

(i) Whether the items to be transferred are appropriate for the stated end-use and whether that stated end-use is appropriate for the end-user;

(ii) The significance for nuclear purposes of the particular item;

(iii) Whether the items to be exported or reexported are to be used in research on, or for the development, design, manufacture, construction, operation, or maintenance of, any reprocessing or enrichment facility;

(iv) The types of assurances or guarantees given against use for nuclear explosive purposes or proliferation in the particular case;

(v) Whether any party to the transaction has been engaged in clandestine or illegal procurement activities;

(vi) Whether an application for a license to export or reexport to the end-user has previously been denied, or whether the end-user has previously diverted items received under a general license, a License Exception, or a validated license to unauthorized activities;

(vii) Whether the export or reexport would present an unacceptable risk of diversion to a nuclear explosive activity or unsafeguarded nuclear fuel-cycle activity described in §744.2(a) of the EAR; and

(viii) The nonproliferation credentials of the importing country, based on consideration of the following factors:

(A) Whether the importing country is a party to the Nuclear Non-Proliferation Treaty (NPT) or to the Treaty for the Prohibition of Nuclear Weapons in Latin America (Treaty of Tlatelolco) or to a similar international legally-binding nuclear nonproliferation agreement;

(B) Whether the importing country has all of its nuclear activities, facilities, or installations that are operational, being designed, or under construction under International Atomic Energy Agency (IAEA) safeguards or equivalent full scope safeguards;

(C) Whether there is an agreement for cooperation in the civil uses of atomic energy between the U.S. and the importing country;

(D) Whether the actions, statements, and policies of the government of the importing country are in support of nuclear nonproliferation and whether that government is in compliance with its international obligations in the field of nonproliferation;

(E) The degree to which the government of the importing country cooperates in nonproliferation policy generally (e.g., willingness to consult on international nonproliferation issues); and

(F) Information on the importing country's nuclear intentions and activities.

(2) In addition, BIS will review license applications in accordance with the licensing policy described in paragraph (b) of this section for items *not* on the Nuclear Referral List that:

(i) Require a license on the CCL for reasons other than "short supply;" and

(ii) Are intended for a nuclear related end-use or end-user.

(3) For the People's Republic of China, the general licensing policy for applications for those items that would make a direct and significant contribution to nuclear weapons and their delivery systems is extended review or denial.

***(c) Contract sanctity***

Contract sanctity provisions are not available for license applications reviewed under this section.

***(d) Nuclear Suppliers Group***

Most items on the Nuclear Referral List that require a license under NP Column No. 1 on the Country Chart (see Supplement No. 1 to part 738 of the EAR) are contained in the Annex to the "Guidelines for Transfers of Nuclear-Related Dual-Use Equipment, Material, and Related Technology" (the Annex), as published by the International Atomic Energy Agency in INFCIRC/254/Revision 1/Part 2. The adherents to INFCIRC/254/Revision 1/Part 2, which includes the Nuclear Suppliers Guidelines, have agreed to establish export licensing procedures for the transfer of items identified in the Annex. Items that are listed as requiring a license under NP Column No. 2 on the Country Chart (see Supplement No. 1 to part 738 of the EAR) are not included in the Annex and are controlled only by the United States.

**§742.4**

**NATIONAL SECURITY**

***(a) License requirements***

It is the policy of the United States to restrict the export and reexport of items that would make a significant contribution to the military potential of any other country or combination of countries that would prove detrimental to the national security of the United States. Accordingly, a license is required for exports and reexports to all destinations, except Canada, for all items in ECCNs on the CCL that include NS Column 1 in the Country Chart column of the "License

Requirements" section. A license is required to all destinations except Country Group A:1 and cooperating countries (see Supplement No. 1 to part 740) for all items in ECCNs on the CCL that include NS Column 2 in the Country Chart column of the "License Requirements" section. The purpose of the controls is to ensure that these items do not make a contribution to the military potential of countries in Country Group D:1 (see Supplement No. 1 to part 740 of the EAR) that would prove detrimental to the national security of the United States. License Exception GBS is available for the export and reexport of certain national security controlled items to Country Group B (see §740.4 and Supplement No. 1 to part 740 of the EAR).

**(b) *Licensing policy***

(1) The policy for national security controlled items exported or reexported to any country *except* a country in Country Group D:1 (see Supplement No. 1 to part 740 of the EAR) is to approve applications unless there is a significant risk that the items will be diverted to a country in Country Group D:1.

(2) Except for those countries described in paragraphs (b)(5) through (b)(7) of this section, the general policy for exports and reexports of items to Country Group D:1 (see Supplement No. 1 to part 740 of the EAR) is to approve applications when BIS determines, on a case-by-case basis, that the items are for civilian use or would otherwise not make a significant contribution to the military potential of the country of destination that would prove detrimental to the national security of the United States.

(3) To permit such policy judgments to be made, each application is reviewed in the light of prevailing policies with full consideration of all aspects of the proposed transaction. The review generally includes:

- (i) An analysis of the kinds and quantities of items to be shipped;
- (ii) Their military or civilian uses;

(iii) The unrestricted availability abroad of the same or comparable items;

(iv) The country of destination;

(v) The ultimate end-users in the country of destination; and

(vi) The intended end-use.

(4) Although each proposed transaction is considered individually, items described in Advisory Notes on the Commerce Control List are more likely to be approved than others.

(5) In recognition of efforts made to adopt safeguard measures for exports and reexports, Bulgaria, Latvia, Kazakhstan, Lithuania, Mongolia, and Russia are accorded enhanced favorable consideration licensing treatment.

(6) The general policy for Cambodia and Laos is to approve license applications when BIS determines, on a case-by-case basis, that the items are for an authorized use in Cambodia or Laos and are not likely to be diverted to another country or use contrary to the national security or foreign policy controls of the United States.

(7) For the People's Republic of China, the general licensing policy is to approve applications, except that those items that would make a direct and significant contribution to electronic and anti-submarine warfare, intelligence gathering, power projection, and air superiority receive extended review or denial. Each application will be considered individually. Items may be approved even though they may contribute to Chinese military development or the end-user or end-use is military. Note that the Advisory Notes in the CCL headed "Note for the People's Republic of China" provide guidance on equipment likely to be approved more rapidly for China.

**(c) *Contract sanctity***

Contract sanctity provisions are not available for license applications reviewed under this section.

(d) *[RESERVED]*

## §742.5

### MISSILE TECHNOLOGY

#### (a) *License requirements*

(1) In support of U.S. foreign policy to limit the proliferation of missiles, a license is required to export and reexport items related to the design, development, production, or use of missiles. These items are identified in ECCNs on the CCL as MT Column No. 1 in the Country Chart column of the "License Requirements" section. Licenses for these items are required to all destinations, except Canada, as indicated by MT Column 1 of the Country Chart (see Supplement No. 1 to part 738 of the EAR).

(2) The term "missiles" is defined as rocket systems (including ballistic missile systems, space launch vehicles, and sounding rockets) and unmanned air vehicle systems (including cruise missile systems, target drones, and reconnaissance drones) capable of delivering at least 500 kilograms (kg) payload to a range of at least 300 kilometers (km).

#### (b) *Licensing policy*

(1) Applications to export and reexport items identified in ECCNs on the CCL as MT Column No. 1 in the Country Chart column of the "License Requirements" section will be considered on a case-by-case basis to determine whether the export or reexport would make a material contribution to the proliferation of missiles. Applications for exports and reexports of such items contained in Category 7A or escribed by ECCN 9A101 on the CCL will be considered more favorably if such exports or reexports are determined to be destined to a manned aircraft, satellite, land vehicle, or marine vessel, in quantities appropriate for replacement parts for such applications. When an export or reexport is deemed to make a material contribution to the proliferation of missiles, the license will be

denied.

(2) The following factors are among those that will be considered in reviewing individual applications.

(i) The specific nature of the end-use;

(ii) The significance of the export and reexport in terms of its contribution to the design, development, production, or use of missiles;

(iii) The capabilities and objectives of the missile and space programs of the recipient country;

(iv) The nonproliferation credentials of the importing country;

(v) The types of assurances or guarantees against design, development, production, or use of missiles that are given in a particular case; and

(vi) The existence of a pre-existing contract.

(3) **Controls on other items.** BIS will review license applications, in accordance with the licensing policy described in paragraph (b)(1) of this section, for items *not* described in paragraph (a) of this section that:

(i) Require a validated license for reasons other than short supply; and

(ii) Could be destined for the design, development, production, or use of missiles, or for a facility engaged in such activities.

#### (c) *Contract sanctity*

The following contract sanctity dates have been established:

(1) License applications for batch mixers specified in ECCN 1B117 involving contracts that were entered into prior to January 19, 1990, will be considered on a case-by-case basis.

(2) License applications subject to ECCN



1B115.b or .c that involve a contract entered into prior to March 7, 1991, will be considered on a case-by-case basis.

(3) Applicants who wish that a pre-existing contract be considered in reviewing their license applications must submit documentation sufficient to establish the existence of a contract.

**(d) Missile Technology Control Regime**

Missile Technology Control Regime (MTCR) members are listed in Country Group A:2 (see Supplement No. 1 to part 740 of the EAR). Controls on items identified in paragraph (a) of this section are consistent with the list agreed to in the MTCR and included in the MTCR Annex.

**§742.6**

**REGIONAL STABILITY**

**(a) License requirements**

The following controls are maintained in support of U.S. foreign policy to maintain regional stability:

(1) As indicated in the CCL and in RS Column 1 of the Country Chart (see Supplement No. 1 to part 738 of the EAR), a license is required to all destinations, except Canada, for items described on the CCL under ECCNs 6A002.a.1, a.2, a.3, .c, or .e; 6A003.b.3 and b.4; 6A008.j.1; 6A998.b; 6D001 (only “software” for the “development” or “production” of items in 6A002.a.1, a.2, a.3, .c; 6A003.b.3 and .b.4; or 6A008.j.1); 6D002 (only “software” for the “use” of items in 6A002.a.1, a.2, a.3, .c; 6A003.b.3 and .b.4; or 6A008.j.1); 6D991 (only “software” for the “development,” “production,” or “use” of equipment controlled by 6A002.e or 6A998.b); 6E001 (only “technology” for “development” of items in 6A002.a.1, a.2, a.3, and .c or .e, 6A003.b.3 and b.4, or 6A008.j.1); 6E002 (only “technology” for “production” of items in 6A002.a.1, a.2, a.3, .c, or .e, 6A003.b.3 or b.4, or 6A008.j.1); 6E991 (only “technology” for the “development,” “production,” or “use” of

equipment controlled by 6A998.b); 7D001 (only “software” for “development” or “production” of items in 7A001, 7A002, or 7A003); 7E001 (only “technology” for the “development” of inertial navigation systems, inertial equipment, and specially designed components therefor for civil aircraft); 7E002 (only “technology” for the “production” of inertial navigation systems, inertial equipment, and specially designed components therefor for civil aircraft); 7E101 (only “technology” for the “use” of inertial navigation systems, inertial equipment, and specially designed components for civil aircraft).

(2) As indicated in the CCL and in RS Column 2 of the Country Chart (see Supplement No. 1 to part 738 of the EAR), a license is required to any destination *except* countries in Country Group A:1 (see Supplement No. 1 to part 740 of the EAR), The Czech Republic, Hungary, Iceland, New Zealand and Poland for items described on the CCL under ECCNs 2A983, 2D983 and 2E983, and for military vehicles and certain commodities (specially designed) used to manufacture military equipment, described on the CCL in ECCNs 0A018.c, 1B018.a, 2B018, and 9A018.a and .b.

**(b) Licensing policy**

(1) Applications to export and reexport items described in paragraph (a)(1) of this section will be reviewed on a case-by-case basis to determine whether the export or reexport could contribute directly or indirectly to any country's military capabilities in a manner that would alter or destabilize a region's military balance contrary to the foreign policy interests of the United States.

(2) Applications to export and reexport commodities described in paragraph (a)(2) of this section will generally be considered favorably on a case-by-case basis unless there is evidence that the export or reexport would contribute significantly to the destabilization of the region to which the equipment is destined.

(3) For terrorist-designated countries, the applicable licensing policies are found in parts 742 and 746 of the EAR

**(c) Contract sanctity**

*Contract sanctity date:* March 21, 2003. This contract sanctity date applies only to items controlled under ECCNs 2A983, 2D983 and 2E983 destined for countries not listed in Country Group E (Supplement 1 to part 740). See parts 742 and 746 for the contract sanctity requirements applicable to exports and reexports to countries listed in Country Group E.

**(d) U.S. controls**

Although the United States seeks cooperation from like-minded countries in maintaining regional stability controls, at this time these controls are maintained only by the United States.

**§742.7****CRIME CONTROL****(a) License requirements**

In support of U.S. foreign policy to promote the observance of human rights throughout the world, a license is required to export and reexport crime control and detection equipment, related technology and software as follows:

(1) Crime control and detection instruments and equipment and related technology and software identified in the appropriate ECCNs on the CCL under CC Column 1 in the Country Chart column of the "License Requirements" section. A license is required to countries listed in CC Column 1 (Supplement No. 1 to part 738 of the EAR). Items affected by this requirement are identified on the CCL under the following ECCNs: 0A978, 0A979, 0A984, 0A987, 0E984, 1A984, 1A985, 3A980, 3A981, 3D980, 3E980, 4A003 (for fingerprint computers only), 4A980, 4D001 (for fingerprint computers only), 4D980, 4E001 (for fingerprint computers only), 4E980, 6A002 (for police-model infrared viewers only), 6E001 (for police-model infrared viewers only), 6E002 (for police-model infrared viewers only), and 9A980.

(2) Shotguns with a barrel length greater than or equal to 24 inches, identified in ECCN 0A984 on the CCL under CC Column 2 in the Country Chart column of the "License Requirements" section regardless of end-user to countries listed in CC Column 2 (Supplement No. 1 part 738 of the EAR).

(3) Shotguns with barrel length greater than or equal to 24 inches, identified in ECCN 0A984 on the CCL under CC Column 3 in the Country Chart column of the "License Requirements" section only if for sale or resale to police or law enforcement entities in countries listed in CC Column 3 (Supplement No. 1 part 738 of the EAR).

(4) Certain crime control items require a license to all destinations, except Canada. These items are identified under ECCNs 0A982, 0A985, and 0E982. Controls for these items appear in each ECCN; a column specific to these controls does not appear in the Country Chart (Supplement No. 1 to part 738 of the EAR).

(5) See §742.11 of the EAR for further information on items controlled under ECCN 0A983, which require a license to all destinations, including Canada.

**(b) Licensing policy**

Applications for items controlled under this section will generally be considered favorably on a case-by-case basis unless there is civil disorder in the country or region or unless there is evidence that the government of the importing country may have violated internationally recognized human rights. The judicious use of export controls is intended to deter the development of a consistent pattern of human rights abuses, distance the United States from such abuses and avoid contributing to civil disorder in a country or region.

**(c) Contract sanctity**

*Contract sanctity date:* August 22, 2000. Contract sanctity applies only to items controlled under

ECCNs 0A982, 0A985 and 0E982 destined for countries not listed in CC Column 1 of the Country Chart (Supplement No. 1 to part 738 of the EAR).

**(d) U.S. controls**

Although the United States seeks cooperation from like-minded countries in maintaining controls on crime control and detection items, at this time these controls are maintained only by the United States.

**§742.8**

**ANTI-TERRORISM: IRAN**

**(a) License requirements**

(1) If AT column 1 or AT column 2 of the Country Chart (Supplement No. 1 to Part 738 of the EAR) is indicated in the appropriate ECCN, a license is required for *export* to Iran for anti-terrorism purposes. In addition, portable electric power generators and related software and technology (ECCNs 2A994, 2D994 and 2E994) are controlled for export to Iran for anti-terrorism purposes. See paragraph (a)(5) of this section for controls maintained by the Department of the Treasury.

(2) If AT column 1 or AT column 2 of the Commerce Country Chart (Supplement No. 1 to part 738 of the EAR) is indicated in the appropriate ECCN, a license is required for *reexport* to Iran for anti-terrorism purposes, *except* for ECCNs 2A994; 3A992.a; 5A991.g; 5A992; 6A991; 6A998; 7A994; 8A992.d, .e, .f, and .g; 9A990.a and .b; and 9A991.d and .e. In addition, items in these ECCNs are not counted as controlled U.S. content for the purpose of determining license requirements for U.S. parts, components or materials incorporated into foreign made products. However, the export from the United States to any destination with knowledge that they will be reexported directly or indirectly, in whole or in part to Iran is prohibited without a license. See paragraph (a)(5) of this section for

controls maintained by the Department of the Treasury.

(3) The Secretary of State has designated Iran as a country whose Government has repeatedly provided support for acts of international terrorism.

(4) In support of U.S. foreign policy on terrorism-supporting countries, BIS maintains two types of anti-terrorism controls on the export and reexport of items described in Supplement 2 to part 742.

(i) Items described in paragraphs (c)(1) through (c)(5) of Supplement No. 2 to part 742 are controlled under section 6(j) of the Export Administration Act, as amended (EAA), if destined to military, police, intelligence or other sensitive end-users.

(ii) Items described in paragraphs (c)(1) through (c)(5) of Supplement No. 2 to part 742 destined to non-sensitive end-users, as well as items described in paragraphs (c)(6) through (c)(44) to all end-users, are controlled to Iran under section 6(a) of the EAA. (See Supplement No. 2 to part 742 for more information on items controlled under sections 6(a) and 6(j) of the EAA and §750.6 of the EAR for procedures for processing license applications for items controlled under EAA section 6(j).)

(5) Exports and certain reexports to Iran are subject to a comprehensive embargo administered by the Department of the Treasury's Office of Foreign Assets Control (OFAC). If you wish to export or reexport to Iran, the Government of Iran or any entity owned or controlled by that Government, you should review part 746 of the EAR and consult with OFAC. Please note that authorization from OFAC constitutes authorization under the EAR and no separate license or authorization from BIS is required.

**(b) Licensing policy**

(1) The Iran-Iraq Arms Non-Proliferation Act of October 23, 1992, requires BIS to deny licenses

for items controlled to Iran for national security (section 5 of the 1979 EAA) or foreign policy reasons (section 6 of the 1979 EAA), absent contract sanctity or a Presidential waiver. License applications for which contract sanctity is established may be considered under policies in effect prior to the enactment of that Act. Otherwise, licenses for such items to Iran are subject to a general policy of denial.

(2) License applications for items controlled under section 6(a) of the EAA will also be reviewed to determine whether requirements of section 6(j) apply. Whenever the Secretary of State determines that an export or reexport could make a significant contribution to the military potential of Iran, including its military logistics capability, or could enhance Iran's ability to support acts of international terrorism, the Secretaries of State and Commerce will notify the Congress 30 days prior to the issuance of a license.

***(c) Contract sanctity***

Contract sanctity dates and related policies for Iran are listed in Supplement No. 2 to part 742. Applicants who wish a pre-existing contract to be considered must submit sufficient evidence to establish the existence of a contract.

***(d) U.S. controls***

Although the United States seeks cooperation from like-minded countries in maintaining anti-terrorism controls, at this time these controls are maintained only by the United States.

**§742.9**

**ANTI-TERRORISM: SYRIA**

***(a) License requirements***

(1) If AT Column 1 of the Country Chart (Supplement No. 1 to part 738 of the EAR) is indicated in the appropriate ECCN, a license is required for export and reexport to Syria for anti-

terrorism purposes.

(2) The Secretary of State has designated Syria as a country whose government has repeatedly provided support for acts of international terrorism.

(3) In support of U.S. foreign policy against terrorism, BIS maintains two types of anti-terrorism controls on the export and reexport to Syria of items described in Supplement No. 2 to part 742.

(i) Items described in paragraphs (c)(1) through (c)(5) of Supplement No. 2 to part 742, if destined to military, police, intelligence or other end-users in Syria, are controlled under section 6(j) of the Export Administration Act, as amended (EAA).

(ii) Items listed in paragraphs (c)(1) through (c)(5) of Supplement No. 2 to part 742 destined to other end-users in Syria, as well as items to all end-users listed in (c)(6) through (c)(8), (c)(10) through (c)(14), (c)(16) through (c)(19), and (c)(22) through (c)(44) of Supplement No. 2 to part 742, are controlled to Syria under section 6(a) of the EAA.

***(b) Licensing policy***

(1) Applications for export and reexport to all end-users in Syria of the following items will generally be denied:

(i) Items that are controlled for chemical and biological weapons proliferation reasons to any destination. These are items that contain CB Column 1, CB Column 2, or CB Column 3 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(ii) Military-related items controlled for national security reasons to any destination. These are items that contain NS Column 1 in the Country Chart column of the "License Requirements" section in an ECCN on the CCL *and* is controlled by equipment or material entries ending in the number "18."

(iii) Items that are controlled for missile proliferation reasons to any destination. These are items that have an MT Column 1 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(iv) All aircraft (powered and unpowered), helicopters, engines, and related spare parts and components, except that parts and components intended to ensure the safety of civil aviation and the safe operation of commercial passenger aircraft will be reviewed on a case-by-case basis, with a presumption of approval. These are items controlled to any destination for national security and missile technology reasons and items controlled to Syria for anti-terrorism purposes. Such items contain an NS Column 1, NS Column 2, MT Column 1, or AT Column 1 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL. Note that, consistent with the general rule that applies to computing U.S. parts and components content incorporated into foreign made products, all aircraft-related items that require a license to Syria will be included as controlled U.S. content, except for ECCNs 6A998, 7A994, and 9A991.d, for purposes of such licensing requirements.

(v) Cryptographic, cryptanalytic, and cryptologic items controlled to any destination for national security reasons. Such items contain an AT Column 1 and an NS Column 1 or NS Column 2 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(vi) Explosives detection equipment controlled under ECCN 2A983.

(vii) "Software" (ECCN 2D983) specially designed or modified for the "development", "production" or "use" of explosives detection equipment controlled by 2A983.

(viii) "Technology" (ECCN 2E983) specially designed or modified for the "development", "production" or "use" of explosives detection equipment controlled by 2A983.

(ix) Commercial charges and devices controlled under ECCN 1C992.

(x) Ammonium nitrate, including certain fertilizers containing ammonium nitrate, controlled under ECCN 1C997.

(xi) Technology for the production of Chemical Weapons Convention (CWC) Schedule 2 and 3 chemicals controlled under ECCN 1E355.

(2) Applications for export and reexport to Syria of all other items described in paragraph (a) of this section, and not described by paragraph (b)(1) of this section, will generally be denied if the export or reexport is destined to a military end-user or for military end-use. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(3) Notwithstanding the provisions of paragraphs (b)(1) and (b)(2), of this section, applications for Syria will be considered on a case-by-case basis if:

(i) The transaction involves the reexport to Syria of items where Syria was not the intended ultimate destination at the time of original export from the United States, provided that the exports from the U.S. occurred prior to the applicable contract sanctity date (or, where the contract sanctity date is December 16, 1986, prior to June 18, 1987).

(ii) The U.S. content of foreign-produced commodities is 20% or less by value; or

(iii) The commodities are medical items.

**Note to paragraph (b) of this section:** Applicants who wish any of the factors described in paragraph (b) of this section to be considered in reviewing their license applications must submit adequate documentation demonstrating the value of the U.S. content, the specifications and medical use of the equipment, or the date of export from the United States.

(4) License applications for items reviewed under 6(a) controls will also be reviewed to determine the applicability of 6(j) controls to the transaction. When it is determined that an export or reexport could make a significant contribution to the military potential of Syria, including its military logistics capability, or could enhance Syria's ability to support acts of international terrorism, the Secretaries of State and Commerce will notify the Congress 30 days prior to issuance of a license.

**(c) Contract sanctity**

Contract sanctity dates and related licensing policies for Syria are set forth in Supplement No. 2 to part 742. Applicants who wish a pre-existing contract to be considered must submit sufficient documentation to establish the existence of a contract.

**(d) U.S. controls**

Although the United States seeks cooperation from like-minded countries in maintaining anti-terrorism controls, at this time these controls are maintained only by the United States.

**§742.10**

**ANTI-TERRORISM: SUDAN**

**(a) License Requirements**

(1) If AT column 1 or AT column 2<sup>1</sup> of the Country Chart (Supplement No. 1 to part 738 of the EAR) is indicated in the appropriate ECCN, a license is required for *export* to Sudan for anti-terrorism purposes.

(2) If AT column 1 or AT column 2 of the

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<sup>1</sup> AT column 1 refers to items controlled to Iran, Sudan, and Syria for anti-terrorism purposes. AT column 2 refers to additional items controlled to Iran and Sudan for anti-terrorism purposes. In addition, items included in ECCNs 2A994, 2D994 and 2E994 are controlled to Iran for anti-terrorism purposes.

Commerce Country Chart (Supplement No. 1 to part 738 of the EAR) is indicated in the appropriate ECCN, a license is required for *reexport* to Sudan for anti-terrorism purposes, *except* for ECCNs 2A994, 3A992.a, 5A991.g, 5A992, 6A991, 6A998, 7A994, 8A992.d, .e, .f, and .g, 9A990.a and .b, and 9A991.d and .e. In addition, items in these ECCNs are not counted as controlled U.S. content for the purpose of determining license requirements for U.S. parts, components or materials incorporated into foreign made products. However, the export from the United States to any destination with knowledge that they will be reexported directly or indirectly, in whole or in part to Sudan is prohibited without a license.

(3) The Secretary of State has designated Sudan as a country whose government has repeatedly provided support for acts of international terrorism.

(4) In support of U.S. foreign policy against terrorism, BIS maintains anti-terrorism controls on the export and reexport to Sudan of items described in Supplement No. 2 to part 742.

(i) Items described in paragraph (c)(1) through (c)(5) of Supplement No. 2 to part 742 if destined to military, police, intelligence or other sensitive end-users in Sudan are controlled under section 6(j) of the Export Administration Act, as amended (EAA).

(ii) Items listed in paragraphs (c)(1) through (c)(5) of Supplement No. 2 to part 742 destined to other end-users in Sudan, as well as items to all end-users listed in (c)(6) through (c)(14) and (c)(16) through (c)(44) of Supplement No. 2 to part 742 are controlled to Sudan under section 6(a) of the EAA.

**(b) Licensing policy**

(1) Applications for export and reexport to all end-users in Sudan of the following items will generally be denied:

(i) Items that are controlled for chemical and

biological weapons proliferation reasons to any destination. These are items that contain CB Column 1, CB Column 2, or CB Column 3 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(ii) Military-related items controlled for national security reasons to any destination. These are items that contain NS Column 1 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL and is controlled by equipment or material entries ending in the number "18."

(iii) Items that are controlled for missile proliferation reasons to any destination. These are items that contain a MT Column 1 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(iv) All aircraft (powered and unpowered), helicopters, engines, and related spare parts and components. These are items controlled to any destination for national security reasons and items controlled to Sudan for anti-terrorism reasons. Such items contain an NS Column 1, NS Column 2, or AT Column 1 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL. Note that, consistent with the general rule that applies to computing U.S. parts and components content incorporated in foreign made products, all aircraft-related items that require a license to Sudan will be included as controlled US content for purposes of such license requirements.

(v) Cryptographic, cryptanalytic, and cryptologic items controlled to any destination. These are items that contain an NS Column 1, NS Column 2, AT Column 1 or AT Column 2 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(vi) Explosives detection equipment controlled under ECCN 2A983.

(vii) "Software" (ECCN 2D983) specially designed or modified for the "development", "production" or "use" of explosives detection

equipment controlled by 2A983.

(viii) "Technology" (ECCN 2E983) specially designed or modified for the "development", "production" or "use" of explosives detection equipment controlled by 2A983.

(ix) Commercial charges and devices controlled under ECCN 1C992.

(x) Technology for the production of Chemical Weapons Convention (CWC) Schedule 2 and 3 chemicals controlled under ECCN 1E355.

(xi) Ammonium nitrate, including certain fertilizers containing ammonium nitrate, controlled under ECCN 1C997.

(2) Applications for the export and reexport of all other items described in paragraph (a) of this section, and not described in paragraph (b)(1) of this section, will be denied if the export or reexport is destined to a military end-user or for military end-use. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(3) Notwithstanding the provisions of paragraphs (b)(1) and (b)(2) of this section, applications for Sudan will be considered on a case-by-case basis if:

(i) The transaction involves the reexport to Sudan of items where Sudan was not the intended ultimate destination at the time of original export from the United States, provided that the exports from the U.S. occurred prior to the applicable contract sanctity date.

(ii) The U.S. content of foreign-produced commodities is 20% or less by value; or

(iii) The commodities are medical items.

**Note to paragraph (b) of this section:** Applicants who wish any of the factors described in paragraph (b)(4) of this section to be considered in reviewing their license applications must submit adequate

documentation demonstrating the value of the U.S. content, the specifications and medical use of the equipment, or the date of export from the United States.

(4) License applications for items reviewed under 6(a) controls will also be reviewed to determine the applicability of 6(j) controls to the transaction. When it is determined that an export or reexport could make a significant contribution to the military potential of Sudan, including its military logistics capability, or could enhance Sudan's ability to support acts of international terrorism, the appropriate committees of the Congress will be notified 30 days before issuance of a license to export or reexport such items.

***(c) Contract sanctity***

Contract sanctity dates and related licensing information for Sudan are set forth in Supplement No. 2 to part 742. Applicants who wish a pre-existing contract to be considered must submit sufficient documentation to establish the existence of a contract.

***(d) U.S. controls***

Although the United States seeks cooperation from like-minded countries in maintaining anti-terrorism controls, at this time these controls are

maintained only by the United States.

**§742.11**

**SPECIALLY DESIGNED IMPLEMENTS  
OF TORTURE**

***(a) License requirements***

In support of U.S. foreign policy to promote the observance of human rights throughout the world, a license is required to export specially designed implements of torture controlled by 0A983 to all destinations, including Canada.

***(b) Licensing policy***

Applications for such licenses will generally be denied to all destinations.

***(c) Contract sanctity***

The contract sanctity date is November 9, 1995. Contract sanctity will be a factor in considering only applications for export to the NATO countries, Japan, Australia, and New Zealand.



**(d) U.S. controls**

Although the United States seeks cooperation from like-minded countries in maintaining controls on implements of torture, at this time these controls are maintained only by the United States.

**§742.12**

**HIGH PERFORMANCE COMPUTERS**

**(a) License and recordkeeping requirements**

(1) This section contains special provisions for exports, reexports, and certain intra-country transfers of high performance computers, including software, and technology. This section affects the following ECCNs: 4A001; 4A002; 4A003; 4D001; 4D002; and 4E001. Licenses are required under this section for ECCN's having an "XP" under "Reason for Control", unless a License Exception is available (see part 740 of the EAR). Post-shipment verification reporting or Wassenaar reporting may be required when exporting or reexporting "XP" items under the authorization of a License Exception (See 743.1 of the EAR for Wassenaar reporting requirements and paragraph (b)(3)(iv) of this section for post-shipment verification requirements). License requirements reflected in this section are based on particular destinations, end-users, or end-uses. For the calculation of CTP, see the Technical Note that follows the list of ECCNs for Category 4 in the Commerce Control List. Note that License Exception CTP contains restrictions on access by nationals of certain countries, and on reexports and transfers of computers.

(2) In recognition of the strategic and proliferation significance of high performance computers, a license is required for the export or reexport of high performance computers to destinations, end-users, and end-uses, as specified in this section and on the CCL. These license requirements supplement requirements that apply for other control reasons, such as nuclear nonproliferation provided in section 742.3 of the

EAR. The license requirements described in this section 742.12 are not reflected on the Country Chart (Supplement No. 1 to part 738 of the EAR). Three Computer Country Tiers have been established for the purposes of these controls. Countries included in Computer Tiers 1 and 3 are listed in License Exception CTP in section 740.7 of the EAR. As of January 19, 2001 there is no longer a Computer Tier 2, and countries that were in Tier 2 are incorporated into Computer Tier 1. Computer Tier 4 consists of Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria.

(3) Exporters must keep accurate records of each export to non-Wassenaar member countries (see Supplement No. 1 to part 743 of the EAR) of a computer with a CTP greater than 75,000 MTOPS. These records must be submitted semiannually to BIS and must contain the information as described in §743.1 of the EAR.

**(b) Licensing policy**

Licensing policies described in this section vary according to the country of destination, and the end-use or end-user involved in the transaction. Note that in addition, license applications for items covered by section 742.12 will also be reviewed under the nuclear nonproliferation licensing policy in section 742.3(b). In certain cases, licenses may be subject to safeguard conditions. The specific conditions that may be imposed by BIS will depend on the country of destination, and the end-use or end-user of the export. BIS may also require end-use certification which, in appropriate cases, is certified by the government of the importing country. The range of possible safeguard conditions and related information are provided in Supplement No. 3 to part 742.

**(1) Computer Tier 1.**

(i) *License requirement.* No license is required under this §742.12 for exports or reexports of computers to and among countries listed in Computer Tier 1, for consumption in such countries or other disposition in accordance with the EAR.

(ii) *Licensing policy.* A license is not required under this §742.12.

**(2) [RESERVED]**

**(3) Computer Tier 3.**

(i) *License requirement.*

(A) A license is required to export or reexport computers to countries in Computer Tier 3 to nuclear, chemical, biological, or missile end-users and end-uses and military end-users and end-uses subject to license requirements under §744.2, §744.3, §744.4, §744.5, and §744.12 of the EAR in Computer Tier 3 countries.

(B) A license is required to export or reexport computers with a CTP greater than 190,000 MTOPS to a country in Computer Tier 3.

NOTE TO PARAGRAPH (b)(3)(i) OF THIS SECTION: Exporters are required to obtain a People's Republic of China (PRC) End-User Certificate before exporting computers described by paragraph (b)(3)(i) of this section to the PRC, regardless of value. (See §748.10(c)(3) of the EAR for information on obtaining the PRC End-User Certificate.)

(ii) *Licensing policy for nuclear, chemical, biological, or missile end-users and end-uses and military end-users and end-uses.* License applications for exports and reexports to nuclear, chemical, biological, or missile end-users and end-uses and military end-users and end-uses subject to license requirements under §744.2, §744.3, §744.4, §744.5, and §744.12 of the EAR in countries in Computer Tier 3 will be reviewed on a case-by-case basis using the following criteria:

(A) The presence and activities of countries and end-users of national security and proliferation concern and the relationships that exist between the government of the importing country and such countries and end-users;

(B) The ultimate consignee's participation

in, or support of, any of the following:

(1) Activities that involve national security concerns; or

(2) Nuclear, chemical, biological or missile proliferation activities described in part 744 of the EAR;

(C) The extent to which the importing country is involved in nuclear, chemical, biological, or missile proliferation activities described in part 744 of the EAR;

(D) The end-user, whether the end-use is single-purpose or multiple-purpose.

(iii) *Licensing policy for other end-users and end-uses.* License applications for exports and reexports to other end-uses and end-users located in Computer Tier 3 countries will generally be approved, except there is a presumption of denial for all applications for exports and reexports of high performance computers destined to Indian and Pakistani entities determined to be involved in nuclear, missile, or military activities included in Supplement No. 4 to part 744 (Entity List). All license applications for exports and reexports to India and Pakistan not meeting these criteria for presumption of denial will be considered on a case-by-case basis under other licensing policies set forth in the EAR applicable to such computers.

(iv) *Post-shipment verification.* This section outlines special post-shipment reporting requirements for exporters of certain computers to destinations in Computer Tier 3. Post-shipment reports must be submitted in accordance with the provisions of this paragraph (b)(3)(iv), and all relevant records of such exports must be kept in accordance with part 762 of the EAR.

(A) Exporters must file post-shipment reports for high performance computer exports, as well as exports of items used to enhance previously exported or reexported computers, where the CTP is greater than 190,000 MTOPS.

(B) *Information that must be included in each*

*post-shipment report.* No later than the last day of the month following the month in which the export takes place, the exporter must submit the following information to BIS at the address listed in paragraph (b)(3)(iv)(C) of this section:

- (1) Exporter name, address, and telephone number;
- (2) License number;
- (3) Date of export;
- (4) End-user name, point of contact, address, telephone number;
- (5) Carrier;
- (6) Air waybill or bill of lading number;
- (7) Commodity description, quantities - listed by model numbers, serial numbers, and CTP level in MTOPS; and
- (8) Certification line for exporters to sign and date. The exporter must certify that the information contained in the report is accurate to the best of his or her knowledge.

NOTE TO PARAGRAPH (b)(3)(iv)(B) OF THIS SECTION: Exporters are required to provide the PRC End-User Certificate Number to BIS as part of their post-shipment report (see paragraph (b)(3)(iv) of this section). When providing the PRC End-User Certificate Number to BIS, you must identify the transaction in the post shipment report to which that PRC End-User Certificate Number applies.

(C) *Mailing address.* A copy of the post-shipment report[s] required under paragraph (b)(3)(iv)(A) of this section shall be delivered to one of the following addresses. Note that BIS will not accept reports sent C.O.D.

- (1) For deliveries by U.S. postal service:

U.S. Department of Commerce  
Bureau of Industry and Security  
P.O. Box 273  
Washington, D.C. 20044

Attn: Office of Enforcement Analysis HPC Team, Room 4065

- (2) For courier deliveries:

U.S. Department of Commerce  
Office of Enforcement Analysis HPC Team  
14th Street and Constitution Ave., N.W.  
Room 4065  
Washington, DC 20230

#### **(4) Computer Tier 4.**

(i) *License requirement.* A license is required to export or reexport any items covered by this section to a country in Country Tier 4.

(ii) *Licensing policy.* The licensing policies for countries in Computer Tier 4 are the same as described in the following EAR sections: for Sudan see §742.10(b); for Syria see §742.9(b); for Cuba see §746.2; for Iran see §746.7; for Iraq see §746.3; for Libya see §746.4; and for North Korea see §742.19(b).

#### **(c) Contract sanctity**

Contract sanctity provisions are not available for license applications involving exports and reexports of high performance computers.

#### **(d) High performance computer regime**

The United States and Japan participate in a high performance computer regime. The regime provides uniform and effective safeguards to protect high performance computers from unauthorized destinations, end-users and end-uses.

### §742.13

#### COMMUNICATIONS INTERCEPTING DEVICES

##### *(a) License requirement*

(1) As set forth in ECCN 5A980, a license is required for the export or reexport to any destination, including Canada, of any electronic, mechanical, or other device primarily useful for surreptitious interception of wire or oral communications. This control implements a provision of the Omnibus Crime Control and Safe Streets Act of 1968 (Public Law 90-361). This license requirement is not reflected on the Country Chart (Supplement No. 1 to part 738 of the EAR).

(2) Communications intercepting devices are electronic, mechanical, or other devices that can be used for interception of wire or oral communications if their design renders them primarily useful for surreptitious listening even though they may also have innocent uses. A device is not restricted merely because it is small or may be adapted to wiretapping or eavesdropping. Some examples of devices to which these restrictions apply are: the martini olive transmitter; the infinity transmitter; the spike mike; and the disguised microphone appearing as a wristwatch, cufflink, or cigarette pack; etc. The restrictions do not apply to devices such as the parabolic microphone or other directional microphones ordinarily used by broadcasters at sports events, since these devices are not primarily useful for surreptitious listening.

##### *(b) Licensing policy*

(1) License applications will generally be approved for:

(i) A provider of wire or electronic communication services or an officer, agent, or employee of, or person under contract with, such a provider in the normal course of the business of providing that wire or electronic communication service; and

(ii) Officers, agents, or employees of, or person under contract with the United States, one of the 50 States, or a political subdivision thereof, when engaged in the normal course of government activities.

(2) Other applications will generally be denied.

##### *(c) Contract sanctity*

Contract sanctity provisions are not available for license applications involving exports and reexports of communications interception devices.

##### *(d) U.S. controls*

Controls on this equipment are maintained by the United States government in accordance with the Omnibus Crime Control and Safe Streets Act of 1968.

### §742.14

#### SIGNIFICANT ITEMS: HOT SECTION TECHNOLOGY FOR THE DEVELOPMENT, PRODUCTION OR OVERHAUL OF COMMERCIAL AIRCRAFT ENGINES, COMPONENTS, AND SYSTEMS.

##### *(a) License requirement*

Licenses are required for all destinations, except Canada, for ECCNs having an "SI" under the "Reason for Control" paragraph. These items include hot section technology for the development, production or overhaul of commercial aircraft engines controlled under ECCN 9E003.a.1. through a.12., .f, and related controls.

##### *(b) Licensing policy*

Pursuant to section 6 of the Export Administration Act of 1979, as amended, foreign policy controls apply to technology required for the development, production or overhaul of commercial aircraft engines controlled by ECCN 9E003.a.1. through

a.12, .f, and related controls. These controls supplement the national security controls that apply to these items. Applications for export and reexport to all destinations will be reviewed on a case-by-case basis to determine whether the export or reexport is consistent with U.S. national security and foreign policy interests. The following factors are among those that will be considered to determine what action will be taken on license applications:

- (1) The country of destination;
- (2) The ultimate end-user(s);
- (3) The technology involved;
- (4) The specific nature of the end-use(s); and
- (5) The types of assurance against unauthorized use or diversion that are given in a particular case.

**(c) *Contract sanctity***

Contract sanctity provisions are not available for license applications reviewed under this §742.14.

**(d) *[RESERVED]***

**§742.15**

**ENCRYPTION ITEMS**

Encryption items can be used to maintain the secrecy of information, and thereby may be used by persons abroad to harm U.S. national security, foreign policy and law enforcement interests. The United States has a critical interest in ensuring that important and sensitive information of the public and private sector is protected. Consistent with our international obligations as a member of the Wassenaar Arrangement, the United States has a responsibility to maintain control over the export and reexport of encryption items. As the President indicated in Executive Order 13026 and in his Memorandum of November 15, 1996, exports and reexports of encryption software, like

exports and reexports of encryption hardware, are controlled because of this functional capacity to encrypt information on a computer system, and not because of any informational or theoretical value that such software may reflect, contain, or represent, or that its export or reexport may convey to others abroad. For this reason, export controls on encryption software are distinguished from controls on other software regulated under the EAR.

**(a) *Licensing requirements and policy***

**(1) Encryption items controlled under ECCN 5A002, 5D002, or 5E002.**

(i) *Licensing requirements.* A license is required to export or reexport encryption items (“EI”) controlled under ECCN 5A002, 5D002 or 5E002 to all destinations, except Canada. Refer to part 740 of the EAR, for license exceptions that apply to certain encryption items, and to §772.1 of the EAR for definitions of encryption items and terms. Exporters must submit applications to obtain authorization under a license or an Encryption Licensing Arrangement for exports and reexports of encryption items that are not eligible for a license exception.

(ii) *Licensing policy.* Applications will be reviewed on a case-by-case basis by BIS, in conjunction with other agencies, to determine whether the export or reexport is consistent with U.S. national security and foreign policy interests. Exports of encryption items to governments, or Internet and telecommunications service providers for the provision of services specific to governments, may be favorably considered for civil uses, e.g., social or financial services to the public; civil justice; social insurance, pensions and retirement; taxes and communications between governments and their citizens. Encryption Licensing Arrangements may be authorized for exports and reexports of unlimited quantities of encryption items to all destinations, except countries listed in Country Group E:1 of Supplement No. 1 to part 740. Encryption Licensing Arrangements, including those which authorize exports and reexports of encryption

technology to strategic partners (as defined in §772.1 of the EAR) of U.S. companies, are valid for four years and may require reporting. Applicants seeking authorization for Encryption Licensing Arrangements must specify the sales territory and class of end-user on their license applications.

**(2) Encryption items controlled under ECCN 5A992, 5D992, or 5E992.**

(i) *Licensing requirements.* Items controlled under ECCN 5A992, 5D992 or 5E992 are controlled for anti-terrorism (AT) reasons to countries listed in AT column 1 or AT column 2, as applicable, of the Commerce Country Chart (Supplement No. 1 to Part 738 of the EAR). A license also may be required to certain destinations or persons for other reasons specified elsewhere in the EAR (e.g., embargoes). In addition, these encryption items are subject to the notification or review requirements described in paragraph (b)(1) and (b)(2) of this section, unless specifically excluded by paragraph (b)(3) of this section.

(ii) *Licensing policy.* Applications will be reviewed on a case-by-case basis by BIS, in conjunction with other agencies, to determine whether the export or reexport is consistent with U.S. national security and foreign policy interests. BIS does not authorize Encryption Licensing Arrangements for exports and reexports of encryption items to any of the countries listed in Country Group E:1 of Supplement No. 1 to Part 740 of the EAR.

**(b) Notification and review requirements for encryption items controlled under ECCN 5A992, 5D992 or 5E992**

You may export and reexport encryption commodities, software and technology controlled under ECCN 5A992, 5D992 or 5E992 without a license (NLR: No License Required) to most

destinations, in accordance with paragraph (a)(2) of this section, provided that you have met the notification and review requirements described in paragraphs (b)(1) and (b)(2) of this section. Certain encryption items controlled under ECCN 5A992, 5D992 or 5E992 may be exported or reexported without notification or review – these items are identified in paragraph (b)(3) of this section. In addition, no post-shipment reporting is required for encryption items controlled under ECCN 5A992, 5D992 or 5E992. See §732.5 of the EAR for Shipper's Export Declaration (SED), Destination Control Statements (DCS), and recordkeeping requirements for items exported and reexported without a license (NLR).

**(1) Notification requirement for specified encryption items.** You may export or reexport encryption items controlled under ECCN 5A992, 5D992 or 5E992 and identified in paragraphs (b)(1)(i) and (b)(1)(ii) of this section to most destinations without a license (NLR: No License Required), provided that you have submitted to BIS, by the time of export, the information described in paragraphs (a) through (e) of Supplement No. 6 of this part. For notifications submitted under paragraph (b)(1)(i) of this section, you must also provide specific information describing how your products qualify for mass market treatment under the criteria in the Cryptography Note (Note 3) of Category 5, Part 2, of the Commerce Control List (Supplement No. 1 to part 774 of the EAR). If you are unsure as to whether your encryption items are eligible for export or reexport under this paragraph (b)(1), you should submit a request, to BIS and to the ENC Encryption Request Coordinator, for a review of your encryption items pursuant to the requirements of paragraph (b)(2) of this section (for mass market encryption commodities and software), or under the provisions of License Exception ENC (see §740.17 of the EAR). The following encryption items controlled by ECCN 5A992, 5D992, or 5E992 are eligible for export or reexport without a license, to most destinations, with notification only:

(i) Up to (and including) 64-bit mass market encryption commodities and software;

(ii) Encryption items (including key management products and company proprietary implementations) with key lengths not exceeding 56 bits for symmetric algorithms, 512 bits for asymmetric key exchange algorithms, and 112 bits for elliptic curve algorithms;

**(2) Review requirement for mass market encryption commodities and software exceeding 64 bits:** Mass market encryption commodities and software employing a key length greater than 64 bits for the symmetric algorithm (including such products previously reviewed by BIS and exported under ECCN 5A002 or 5D002) remain subject to the EAR and require review by BIS, prior to export or reexport under this paragraph (b)(2). Encryption commodities and software that are not eligible as retail items under License Exception ENC do not qualify for mass market treatment (see §740.17(b)(3) of the EAR for retail product eligibility under License Exception ENC).

(i) *Procedures for requesting review.* To request review of your mass market encryption products, you must submit to BIS and the ENC Encryption Request Coordinator the information described in paragraphs (a) through (e) of Supplement No. 6 to this part 742, and you must include specific information describing how your products qualify for mass market treatment under the criteria in the Cryptography Note (Note 3) of Category 5, Part 2 (“Information Security”), of the Commerce Control List (Supplement No. 1 to part 774 of the EAR). Review requests must be submitted on Form BIS-748P (Multipurpose Application), or its electronic equivalent, as described in §748.3 of the EAR. To ensure that your review request is properly routed, insert the phrase “Mass market encryption” in Block 9 (Special Purpose) of the application form and place an “X” in the box marked “Classification Request” in Block 5 (Type of Application) – Block 5 does not provide a separate item to check for the submission of encryption review requests. Failure to properly complete these items may delay consideration of your review request. Review requests that are not submitted electronically to BIS should be mailed to the

address indicated in §748.2(c) of the EAR. Submissions to the ENC Encryption Request Coordinator should be directed to the mailing address indicated in §740.17(e)(5)(ii) of the EAR. BIS will notify you if there are any questions concerning your request for review (e.g., because of missing or incomplete support documentation).

(ii) *Action by BIS.* Once BIS has completed its review, you will receive written confirmation concerning the eligibility of your items for export or reexport as mass market encryption commodities or software controlled under ECCN 5A992 or 5D992. If, during the course of its review, BIS determines that your encryption items do not qualify for mass market treatment under the EAR, or are otherwise controlled under ECCN 5A002, 5B002, 5D002 or 5E002, BIS will notify you and will review your commodities or software for eligibility under License Exception ENC (see §740.17 of the EAR for review and reporting requirements for encryption items under License Exception ENC). BIS reserves the right to suspend your eligibility to export and reexport under the provisions of this paragraph (b)(2) and to return review requests, without action, if the requirements for review have not been met.

(iii) *Exports and reexports to government and non-government end-users.* Immediately upon registration by BIS of your completed review request (“registration” is defined in §750.4(a)(2) of the EAR), you may export or reexport mass market encryption commodities and software exceeding 64 bits, under ECCNs 5A992 and 5D992, without a license (NLR: No License Required) to government and non-government end-users located in countries listed in Supplement No. 3 to part 740 of the EAR. These mass market encryption products also may be exported or reexported, without a license (NLR), to most destinations (except those that require a license for AT reasons or for reasons described elsewhere in the EAR) for the internal use of foreign subsidiaries or offices of firms, organizations and governments headquartered in Canada or in countries listed in Supplement No. 3 to part 740 of the EAR. Thirty days after BIS registers your review request, you may export or

reexport these mass market encryption products, without a license, to government and non-government end-users located in most destinations outside the countries listed in Supplement No. 3 to part 740 of the EAR (certain destinations and persons may require a license for AT reasons or for reasons specified elsewhere in the EAR), unless otherwise notified by BIS (e.g., because of missing or incomplete support documentation, or conversion to License Exception ENC review). The thirty days may not include any time that your review request was on hold without action. See §772.1 of the EAR for the definition of “government end-user” as it applies to encryption items.

**(3) Exclusions from notification and review requirements.** The following items and transactions do not require notification or review prior to export or reexport. However, a license may be required to export or reexport these items to certain destinations for AT reasons or for reasons set forth elsewhere in the EAR (e.g., embargoes).

(i) *Encryption items for U.S. subsidiaries.* Encryption items controlled under ECCN 5A992, 5D992 or 5E992 that are exported to foreign subsidiaries of U.S. companies (as defined in §772.1 of the EAR) for any end-use, including the development of new products, that is not prohibited elsewhere in the EAR. All items produced or developed by U.S. subsidiaries with encryption commodities, software and technology exported under this paragraph are subject to the EAR and require review and authorization before any sale or retransfer outside of the U.S. company.

(ii) *Mass market short-range wireless commodities or software.* Mass market commodities or software that would not otherwise be controlled under Category 5 (telecommunications and “information security”) of the Commerce Control List, but which are controlled under ECCN 5A992 or 5D992 only because they incorporate components or software that provide short-range wireless encryption functions (e.g., wireless products with an

operating range typically not exceeding 100 meters).

(iii) *Items with limited cryptographic functionality.* Encryption items controlled under ECCN 5A992, 5D992, or 5E992 for which the use of cryptography is limited to cryptographic functions that are not controlled for “EI” reasons under the EAR (e.g., items with cryptographic functions limited to authentication or digital signature, execution of copy protected software, and “finance specific” items specially designed and limited for banking use or money transactions). These items are described in the Related Controls paragraph and the Technical Notes under ECCN 5A002 on the Commerce Control List (Supplement No. 1 to part 774 of the EAR), which are cross-referenced under ECCNs 5D002 and 5E002.

**(4) Commodities and software that activate or enable cryptographic functionality.** Commodities, software, and components that allow the end-user to activate or enable cryptographic functionality in encryption products which would otherwise remain disabled, are controlled according to the functionality of the activated encryption product. The notification and review requirements enumerated in this paragraph (b) of this section apply to commodities, software and components which activate cryptographic functionality in encryption products controlled under ECCNs 5A992 and 5D992. (See §740.17 of the EAR for review and reporting requirements for commodities, software and components that enable cryptographic functionality in encryption products controlled under ECCNs 5A002 and 5D002.) This paragraph (b)(4) does not authorize the export or reexport of any activated encryption product. Separate review or authorization of the enabled encryption product is required.

**(5) Examples of mass market encryption products.** Subject to the requirements of the Cryptography Note (Note 3) in Category 5, Part 2, of the Commerce Control List, mass market encryption products include, but are not limited to, general purpose operating systems and desktop



applications (e.g., e-mail, browsers, games, word processing, database, financial applications or utilities) designed for, bundled with, or pre-loaded on single CPU computers, laptops, or hand-held devices; commodities and software for client Internet appliances and client wireless LAN devices; home use networking commodities and software (e.g., personal firewalls, cable modems for personal computers, and consumer set top boxes); portable or mobile civil telecommunications commodities and software (e.g., personal data assistants (PDAs), radios, or cellular products); and commodities and software exported via free or anonymous downloads.

#### §742.16

[RESERVED]

#### §742.17

### EXPORTS OF FIREARMS TO OAS MEMBER COUNTRIES

#### *(a) License requirements*

BIS maintains a licensing system for the export of shotguns and related items to all OAS member countries. This action is based on the Organization of American States (OAS) Model Regulations for the Control of the International Movement of Firearms, their Parts and Components and Munitions (OAS Model Regulations) which were developed to assist OAS member countries to implement the Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials (Firearms Convention)<sup>2</sup>. Items subject to these controls are identified by “FC Column 1” in the “License Requirements” section of their Export Control Classification Number (ECCN) on the Commerce Control List (CCL). If “FC Column 1” of the Commerce Country Chart

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<sup>2</sup> Status of Convention as of April 13, 1999 had not entered into force.

(Supplement No. 1 to part 738 of the EAR) is indicated for a particular country, a license is required for export to that destination. Licenses will generally be issued on an Import Certificate or equivalent official document, satisfactory to BIS, issued by the government of the importing country is also required for the export of such items to OAS member countries.

#### *(b) Licensing policy*

Applications supported by an Import Certificate or equivalent official document issued by the government of the importing country for such items will generally be approved, except there is a policy of denial for applications to export items linked to such activities as drug trafficking, terrorism, and transnational organized crime.

#### *(c) Contract sanctity*

Contract sanctity provisions are not available for license applications under this §742.17.

#### *(d) OAS Model Regulations*

The OAS Model Regulations on which regulations are based are designed by OAS member countries to combat illicit manufacturing of and trafficking in firearms, ammunition, explosives, and other related materials in North and South America because of their links to such activities as drug trafficking, terrorism, and transnational organized crime.

#### *(e) OAS member countries to which firearms controls under this section apply*

The OAS member countries include: Antigua and Barbuda, Argentina, the Bahamas, Barbados, Belize, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, the United States, Uruguay, and Venezuela.

**(f) Items/Commodities**

Items requiring a license under this section are ECCNs 0A984 (shotguns with a barrel length 18 inches or over and related parts, and buckshot shotgun shells), 0A986 (shotgun shells, and related parts) and 0A987 (optical sighting devices). (See Supplement No. 1 to Part 774 of the EAR.)

**(g) Validity period for licenses**

Although licenses generally will be valid for a period of two years, your ability to ship items that require an Import Certificate or equivalent official document under this section may be affected by the validity of the Import Certificate or equivalent official document (*see* §748.14(f) of the EAR).

**§742.18****CHEMICAL WEAPONS CONVENTION  
(CWC OR CONVENTION)**

States that are parties to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, also known as the Chemical Weapons Convention (CWC or Convention), undertake never to develop, produce, acquire, stockpile, transfer, or use chemical weapons. As a State Party to the Convention, the United States is subjecting certain toxic chemicals and their precursors listed in Schedules within the Convention to trade restrictions. Trade restrictions include: a prohibition on the export of Schedule 1 chemicals to States not Party to the CWC; a prohibition on the reexport of Schedule 1 chemicals to all destinations (both States Parties to the CWC and States not Party to the CWC); license requirements for the export of Schedule 1 chemicals to all States Parties; a prohibition on the export of Schedule 2 chemicals to States not Party to the CWC; and an End-Use Certificate requirement for exports of Schedule 3 chemicals to States not Party to the CWC. Exports of CWC chemicals that do not require a license for CW reasons (e.g., exports and reexports of Schedule 2

and Schedule 3 chemicals to States Parties to the CWC) may require a license for other reasons set forth in the EAR. (See, in particular, the license requirements in §742.2 of the EAR that apply to exports and reexports of precursor chemicals controlled by ECCN 1C350, for CB reasons. Also note the end-use and end-user restrictions in part 744 of the EAR and the restrictions that apply to embargoed countries in part 746 of the EAR.)

**(a) License requirements**

**(1) Schedule 1 chemicals and mixtures controlled under ECCN 1C350 or ECCN 1C351.** A license is required for CW reasons to export or reexport Schedule 1 chemicals and mixtures controlled under ECCN 1C350.a or Schedule 1 chemicals controlled under ECCN 1C351.d.5 or d.6 to all destinations *including Canada*. CW applies to 1C351.d.5 for ricin in the form of Ricinus Communis Agglutinin<sub>II</sub> (RCA<sub>II</sub>), which is also known as ricin D or Ricinus Communis Lectin<sub>III</sub> (RCL<sub>III</sub>), and Ricinus Communis Lectin<sub>IV</sub> (RCL<sub>IV</sub>), which is also known as ricin E. CW applies to 1C351.d.6 for saxitoxin identified by C.A.S. #35523-89-8. (Note that the advance notification procedures and annual reporting requirements described in §745.1 of the EAR also apply to exports of Schedule 1 chemicals.)

**(2) Schedule 2 and Schedule 3 chemicals and mixtures controlled under ECCN 1C350, ECCN 1C355, or ECCN 1C395.**

(i) *States Parties to the CWC.* Neither a license nor an End-Use Certificate is required for CW reasons to export or reexport Schedule 2 or 3 chemicals and mixtures controlled under ECCN 1C350, ECCN 1C355, or ECCN 1C395 to States Parties to the CWC (destinations listed in Supplement No. 2 to part 745 of the EAR).

(ii) *States not Party to the CWC.*

(A) *Schedule 2 chemicals.* A license is required for CW reasons to export or reexport Schedule 2 chemicals and mixtures controlled

under ECCN 1C350.b, ECCN 1C355.a, or ECCN 1C395 to States not Party to the CWC (destinations *not* listed in Supplement No. 2 to part 745 of the EAR).

*(B) Schedule 3 chemicals.*

*(1) Exports.* A license is required for CW reasons to export Schedule 3 chemicals and mixtures controlled under ECCN 1C350.c, ECCN 1C355.b, or ECCN 1C395.b to States not Party to the CWC (destinations *not* listed in Supplement No. 2 to Part 745 of the EAR), *unless* the exporter obtains from the consignee an End-Use Certificate (issued by the government of the importing country) prior to exporting the Schedule 3 chemicals and submits it to BIS in accordance with the procedures described in §745.2 of the EAR. Note, however, that obtaining an End-Use Certificate does not relieve the exporter from the responsibility of complying with other license requirements set forth elsewhere in the EAR.

*(2) Reexports.*

*(i) Reexports from States Parties to the CWC.* Neither a license nor an End-Use Certificate is required for CW reasons to reexport Schedule 3 chemicals and mixtures controlled under ECCN 1C350.c, ECCN 1C355.b, or ECCN 1C395.b from States Parties to the CWC (destinations listed in Supplement No. 2 to part 745 of the EAR) to States not Party to the CWC. However, a license may be required for other reasons set forth elsewhere in the EAR. In addition, reexports of Schedule 3 chemicals may be subject to an End-Use Certificate requirement by governments of other countries when the chemicals are destined for States not Party to the CWC.

*(ii) Reexports from States not Party to the CWC.* A license is required for CW reasons to reexport Schedule 3 chemicals and mixtures controlled under ECCN 1C350.c, ECCN 1C355.b, or ECCN 1C395.b from a State not Party to the CWC (a destination *not* listed in Supplement No. 2 to part 745 of the EAR) to any other State not Party to the CWC.

*(C) Technology controlled under ECCN 1E355.* A license is required for CW reasons to export or reexport technology controlled under ECCN 1E355 to all States not Party to the CWC (destinations *not* listed in Supplement No. 2 to part 745 of the EAR), except for Israel and Taiwan.

*(b) Licensing policy*

**(1) Schedule 1 chemicals and mixtures.**

*(i) Exports to States Parties to the CWC.* Applications to export Schedule 1 chemicals and mixtures controlled under ECCN 1C350.a or Schedule 1 chemicals controlled under ECCN 1C351.d.5 or .d.6 to States Parties to the CWC (destinations listed in Supplement No. 2 to part 745 of the EAR) generally will be denied, *unless* all of the following conditions are met:

(A) The chemicals are destined only for purposes not prohibited under the CWC (i.e., research, medical, pharmaceutical, or protective purposes);

(B) The types and quantities of chemicals are strictly limited to those that can be justified for those purposes;

(C) The Schedule 1 chemicals were not previously imported into the United States (this does not apply to Schedule 1 chemicals imported into the United States prior to April 29, 1997, or imported into the United States directly from the same State Party to which they now are to be returned, i.e., exported); *and*

(D) The aggregate amount of Schedule 1 chemicals in the country of destination at any given time is equal to or less than one metric ton *and* receipt of the proposed export will *not* cause the country of destination to acquire or to have acquired one metric ton or more of Schedule 1 chemicals in any calendar year.

*(ii) Exports to States not Party to the CWC.* Applications to export Schedule 1 chemicals and mixtures controlled under ECCN 1C350.a or

Schedule 1 chemicals controlled under ECCN 1C351.d.5 or .d.6 to States not Party to the CWC (destinations *not* listed in Supplement No. 2 to part 745 of the EAR) generally will be denied, consistent with U.S. obligations under the CWC to prohibit exports of these chemicals to States not Party to the CWC.

(iii) *Reexports.* Applications to reexport Schedule 1 chemicals and mixtures controlled under ECCN 1C350.a or Schedule 1 chemicals controlled under ECCN 1C351.d.5 or .d.6 generally will be denied to all destinations (including both States Parties to the CWC and States not Party to the CWC).

**(2) Schedule 2 chemicals and mixtures.** Applications to export or reexport Schedule 2 chemicals and mixtures controlled under ECCN 1C350.b, ECCN 1C355.a, or ECCN 1C395 to States not Party to the CWC (destinations *not* listed in Supplement No. 2 to part 745 of the EAR) generally will be denied, consistent with U.S. obligations under the CWC to prohibit exports of these chemicals to States not Party to the CWC.

**(3) Schedule 3 chemicals and mixtures.**

(i) *Exports.* Applications to export Schedule 3 chemicals and mixtures controlled under ECCN 1C350.c, ECCN 1C355.b, or ECCN 1C395.b to States not Party to the CWC (destinations *not* listed in Supplement No. 2 to part 745 of the EAR) generally will be denied.

(ii) *Reexports from States not Party to the CWC.* Applications to reexport Schedule 3 chemicals and mixtures controlled under ECCN 1C350.c, ECCN 1C355.b, or ECCN 1C395.b from a State not Party to the CWC (a destination *not* listed in Supplement No. 2 to part 745 of the EAR) to any other State not Party to the CWC generally will be denied.

**(4) Technology controlled under ECCN 1E355.** Exports and reexports of technology controlled under ECCN 1E355 will be reviewed on a case-by-case basis.

**(c) Contract sanctity**

Contract sanctity provisions are not available for license applications reviewed under this section.

**§742.19**

**ANTI-TERRORISM: NORTH KOREA**

**(a) License requirements**

**(1)** All items on the Commerce Control List (CCL) (i.e., with a designation other than EAR 99) require a license for export or reexport to North Korea, except ECCNs 0A988 and 0A989. This includes all items controlled for AT reasons, including any item on the CCL containing AT column 1 or AT column 2 in the Country Chart column of the License Requirements section of an ECCN; and ECCNs 0A986, 0A999, 0B986, 0B999, 0D999, 1A999, 1B999, 1C995, 1C999, 1D999, 2A994, 2B994, 2C994, 2A999, 2B999, 3A999, and 6A999.

**(2)** The Secretary of State has designated North Korea as a country whose Government has repeatedly provided support for acts of international terrorism.

**(3)** In support of U.S. foreign policy on terrorism-supporting countries, BIS maintains two types of anti-terrorism controls on the export and reexport of items described in Supplement 2 to part 742.

(i) Items described in paragraphs (c)(1) through (c)(5) of Supplement No. 2 to part 742 are controlled under section 6(j) of the Export Administration Act, as amended (EAA), if destined to military, police, intelligence or other sensitive end-users.

(ii) Items described in paragraphs (c)(1) through (c)(5) of Supplement No. 2 to part 742 destined to non-sensitive end-users, as well as items described in paragraph (c)(6) through (c)(45) to all end-users, are controlled to North

Korea under section 6(a) of the EAA. (See Supplement No. 2 to part 742 for more information on items controlled under sections 6(a) and 6(j) of the EAA and §750.6 of the EAR for procedures for processing license applications for items controlled under EAA section 6(j).)

**(b) *Licensing policy***

**(1)** Applications for export and reexport to all end-users in North Korea of the following items will generally be denied:

(i) Items controlled for chemical and biological weapons proliferation reasons to any destination. These items contain CB Column 1, CB Column 2, or CB Column 3 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(ii) Items controlled for missile proliferation reasons to any destination. These items have an MT Column 1 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(iii) Items controlled for nuclear weapons proliferation reasons to any destination. These items contain NP Column 1 or NP Column 2 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(iv) Items controlled for national security reasons to any destination. These items contain NS Column 1 or NS Column 2 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(v) Military-related items controlled for national security reasons to any destination. These items contain NS Column 1 in the Country Chart column of the "License Requirements" section in an ECCN on the CCL *and* are controlled by equipment or material entries ending in the number "18."

(vi) All aircraft (powered and unpowered), helicopters, engines, and related spare parts and components. Such items contain an NS Column

1, NS Column 2, MT Column 1, or AT Column 1 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(vii) Cryptographic, cryptanalytic, and cryptologic items controlled any destination. These are items that contain an NS Column 1, NS Column 2, AT Column 1 or AT Column 2 in the Country Chart column of the "License Requirements" section of an ECCN on the CCL.

(viii) Submersible systems controlled under ECCN 8A992.

(ix) Scuba gear and related equipment controlled under ECCN 8A992.

(x) Pressurized aircraft breathing equipment controlled under ECCN 9A991.

(xi) Explosives detection equipment controlled under ECCN 2A983.

(xii) "Software" (ECCN 2D983) specially designed or modified for the "development", "production" or "use" of explosives detection equipment controlled by 2A983.

(xiii) "Technology" (ECCN 2E983) specially designed or modified for the "development", "production" or "use" of explosives detection equipment controlled by 2A983..

(xiv) Commercial charges and devices controlled under ECCN 1C992.

(xvi) Computer numerically controlled machine tools controlled under ECCN 2B991.

(xvi) Aircraft skin and spar milling machines controlled under ECCN 2B991.

(xvii) Semiconductor manufacturing equipment controlled under ECCN 3B991.

(xviii) Digital computers with a CTP above 2000.

(xix) Microprocessors with a CTP of 550 or

above.

(xx) Ammonium nitrate, including certain fertilizers containing ammonium nitrate, controlled under ECCN 1C997.

(xxi) Technology for the production of Chemical Weapons Convention (CWC) Schedule 2 and 3 Chemicals controlled under ECCN 1E355.

**(2)** Applications for export and reexport to North Korea of all other items described in paragraph (a) of this section, and not described by paragraph (b)(1) of this section, will generally be denied if the export or reexport is destined to a military end-user or for military end-use. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

**(3)** Applications for export and reexport to North

Korea of items described in paragraphs (c)(12), (c)(24), (c)(34), (c)(37), (c)(38), and (c)(45) of Supplement No. 2 to part 742 will generally be denied if the export or reexport is destined to nuclear end-users or nuclear end-uses. Applications for non-nuclear end-users or for non-nuclear end-uses, excluding items described in (c)(24)(iv)(A) of Supplement No. 2 to part 742, will be considered on a case-by-case basis.

**(4)** License applications for items reviewed under section 6(a) controls will also be reviewed to determine the applicability of section 6(j) controls to the transaction. When it is determined that an export or reexport could make a significant contribution to the military potential of North Korea, including its military logistics capability, or could enhance North Korea's ability to support acts of international terrorism, the Secretaries of State and Commerce will notify the Congress 30 days prior to issuance of a license.

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**NONPROLIFERATION OF CHEMICAL AND BIOLOGICAL WEAPONS**

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**Note:** Exports and reexports of items in performance of contracts entered into before the applicable contract sanctity date(s) will be eligible for review on a case-by-case basis or other applicable licensing policies that were in effect prior to the contract sanctity date. The contract sanctity dates set forth in this Supplement are for the guidance of exporters. Contract sanctity dates are established in the course of the imposition of foreign policy controls on specific items and are the relevant dates for the purpose of licensing determinations involving such items. If you believe that a specific contract sanctity date is applicable to your transaction, you should include all relevant information with your license application.

(1) The contract sanctity date for exports to Iran or Syria of dimethyl methylphosphonate, methyl phosphonyldifluoride, phosphorous oxychloride, thiodiglycol, dimethylamine hydrochloride, dimethylamine, ethylene chlorohydrin (2-chloroethanol), and potassium fluoride is April 28, 1986.

(2) The contract sanctity date for exports to Iran or Syria of dimethyl phosphite (dimethyl hydrogen phosphite), methyl phosphonyldichloride, 3-quinuclidinol, N,N-diisopropylamino-ethane-2-thiol, N,N-diisopropylaminoethyl-2-chloride, 3-hydroxy-1-methylpiperidine, trimethyl phosphite, phosphorous trichloride, and thionyl chloride is July 6, 1987.

(3) The contract sanctity date for exports to Iran or Syria of items in ECCNs 1C351, 1C352, 1C353 and 1C354 is February 22, 1989.

(4) The contract sanctity date for exports to Iran of dimethyl methylphosphonate, methylphosphonyl difluoride, phosphorus oxychloride, and thiodiglycol is February 22, 1989.

(5) The contract sanctity date for exports to Iran,

Libya or Syria of potassium hydrogen fluoride, ammonium hydrogen fluoride, sodium fluoride, sodium bifluoride, phosphorus pentasulfide, sodium cyanide, triethanolamine, diisopropylamine, sodium sulfide, and N,N-diethylethanolamine is December 12, 1989.

(6) The contract sanctity date for exports to all destinations (except Iran or Syria) of phosphorus trichloride, trimethyl phosphite, and thionyl chloride is December 12, 1989. For exports to Iran or Syria, paragraph (2) of this Supplement applies.

(7) The contract sanctity date for exports to all destinations (except Iran, Libya or Syria) of 2-chloroethanol and triethanolamine is January 15, 1991. For exports of 2-chloroethanol to Iran or Syria, paragraph (1) of this Supplement applies. For exports of triethanolamine to Iran, Libya or Syria, paragraph (5) of this Supplement applies.

(8) The contract sanctity date for exports to all destinations (except Iran, Libya or Syria) of chemicals controlled by ECCN 1C350 is March 7, 1991, except for applications to export the following chemicals: 2-chloroethanol, dimethyl methylphosphonate, dimethyl phosphite (dimethyl hydrogen phosphite), methylphosphonyl dichloride, methylphosphonyl difluoride, phosphorus oxychloride, phosphorous trichloride, thiodiglycol, thionyl chloride triethanolamine, and trimethyl phosphite. (See also paragraphs (6) and (7) of this Supplement.) For exports to Iran, Libya or Syria, see paragraphs (1) through (6) of this Supplement.

(9) The contract sanctity date for exports and reexports of the following commodities and technical data is March 7, 1991:

(i) Equipment (for producing chemical weapon precursors and chemical warfare agents) described in ECCNs 2B350 and 2B351;

(ii) Equipment and materials (for producing

biological agents) described in ECCNs 1C351, 1C352, 1C353, 1C354, and 2B352; and

(iii) Technology (for the development, production, and use of equipment described in ECCNs 1C351, 1C352, 1C353, 1C354, 2B350, 2B351, and 2B352) described in ECCNs 2E001, 2E002, and 2E301.

**(10)** The contract sanctity date for license applications subject to §742.2(b)(3) of this part is March 7, 1991.

**(11)** The contract sanctity date for reexports of chemicals controlled under ECCN 1C350 is March 7, 1991, except that the contract sanctity date for reexports of these chemicals to Iran, Libya or Syria is December 12, 1989.

**(12)** The contract sanctity date for reexports of human pathogens, zoonoses, toxins, animal pathogens, genetically modified microorganisms and plant pathogens controlled by ECCNs 1C351, 1C352, 1C353 and 1C354 is March 7, 1991.



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**ANTI-TERRORISM CONTROLS: IRAN, NORTH KOREA, SYRIA AND SUDAN**  
**CONTRACT SANCTITY DATES AND RELATED POLICIES**

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**Note:** Exports and reexports of items in performance of contracts entered into before the applicable contract sanctity date(s) will be eligible for review on a case-by-case basis or other applicable licensing policies that were in effect prior to the contract sanctity date. The contract sanctity dates set forth in this Supplement are for the guidance of exporters. Contract sanctity dates are established in the course of the imposition of foreign policy controls on specific items and are the relevant dates for the purpose of licensing determinations involving such items. If you believe that a specific contract sanctity date is applicable to your transaction, you should include all relevant information with your license application. BIS will determine any applicable contract sanctity date at the time an application with relevant supporting documents is submitted.

***(a) Terrorist-supporting countries***

The Secretary of State has designated Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria as countries whose governments have repeatedly provided support for acts of international terrorism under section 6(j) of the Export Administration Act (EAA).

***(b) Items controlled under EAA sections 6(j) and 6(a)***

Whenever the Secretary of State determines that an export or reexport to any of these countries could make a significant contribution to the military potential of such country, including its military logistics capability, or could enhance the ability of such country to support acts of international terrorism, the item is subject to mandatory control under EAA section 6(j) and the Secretaries of Commerce and State are required to notify appropriate Committees of the Congress 30 days before a license for such an item may be issued.

**(1)** On December 28, 1993, the Secretary of State

determined that the export to Cuba, Libya, Iran, Iraq, North Korea, Sudan, or Syria of items described in paragraphs (c)(1) through (c)(5) of this Supplement, if destined to military, police, intelligence or other sensitive end-users, are controlled under EAA section 6(j). Therefore, the 30-day advance Congressional notification requirement applies to the export or reexport of these items to sensitive end-users in any of these countries.

**(2)** License applications for items controlled to designated terrorist-supporting countries under EAA section 6(a) will also be reviewed to determine whether the Congressional notification requirements of EAA section 6(j) apply.

**(3)** Items controlled for anti-terrorism reasons under section 6(a) to Iran, North Korea, Sudan, and Syria are:

(i) Items described in paragraphs (c)(1) through (c)(5) to non-sensitive end-users, and

(ii) The following items to all end-users: for Iran, items in paragraphs (c)(6) through (c)(44) of this Supplement; for North Korea, items in paragraph (c)(6) through (c)(45) of this Supplement; for Sudan, items in paragraphs (c)(6) through (c)(14), and (c)(16) through (c)(44) of this Supplement; for Syria, items in paragraphs (c)(6) through (c)(8), (c)(10) through (c)(14), (c)(16) through (c)(19), and (c)(22) through (c)(44) of this Supplement.

**(c)** The license requirements and licensing policies for items controlled for anti-terrorism reasons to Iran, Syria, Sudan, and North Korea are generally described in §§742.8, 742.9, 742.10, and 742.19 of this part, respectively. This Supplement provides guidance on licensing policies for Iran, North Korea, Syria, and Sudan and related contract sanctity dates that may be

available for transactions benefitting from pre-existing contracts involving Iran, Syria, and Sudan. Exporters are advised that the Treasury Department's Office of Foreign Assets Control administers a comprehensive trade and investment embargo against Iran (See Executive Orders 12957, 12959 and 13059 of March 15, 1995, May 6, 1995 and August 19, 1997, respectively.) Exporters are further advised that exports and reexports to Iran of items that are listed on the CCL as requiring a license for national security or foreign policy reasons are subject to a policy of denial under the Iran-Iraq Arms Non-Proliferation Act of October 23, 1992 (50 U.S.C. 1701 note (1994)). Transactions involving Iran and benefitting from a contract that pre-dates October 23, 1992 may be considered under the applicable licensing policy in effect prior to that date.

**(1) All items subject to national security controls.**

(i) *Iran*. Applications for all end-users in Iran will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of items valued at \$7 million or more: January 23, 1984.

(B) Contract sanctity date for military end-users or end-uses of all other national security controlled items: September 28, 1984.

(C) Contract sanctity date for non-military end-users or end-uses: August 28, 1991, *unless* otherwise specified in paragraphs (c)(2) through (c)(42) of this Supplement.

(ii) *Syria*. Applications for military end-users or military end-uses in Syria will generally be denied. Applications for non-military end-users or end-uses will be considered on a case-by-case basis, unless otherwise specified in paragraphs (c)(2) through (c)(42) of this Supplement. No contract sanctity date is available for items valued at \$7 million or more to military end-users or end-uses. The contract sanctity date for all other items for all end-users: December 16, 1986.

(iii) *Sudan*. Applications for military end-users or military end-uses in Sudan will generally be denied. Applications for non-military end-users or end-uses will be considered on a case-by-case basis unless otherwise specified in paragraphs (c)(2) through (c)(42) of this Supplement. Contract sanctity date: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for all end-users in North Korea of such equipment will generally be denied.

**(2) All items subject to chemical and biological weapons proliferation controls.** Applications for all end-users in Iran, North Korea, Syria, or Sudan of these items will generally be denied. See Supplement No. 1 to part 742 for contract sanctity dates for Iran and Syria. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993), or unless an earlier date for any item is listed in Supplement 1 to part 742.

**(3) All items subject to missile proliferation controls (MTCR).** Applications for all end-users in Iran, North Korea, Syria, or Sudan will generally be denied. Contract sanctity provisions for Iran and Syria are not available. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

**(4) All items subject to nuclear weapons proliferation controls (NRL).**

(i) *Iran*. Applications for all end-users in Iran will generally be denied. No contract sanctity date is available.

(ii) *Syria*. Applications for military end-users

or end-uses to Syria will generally be denied. Applications for non-military end-users or end-uses will be considered on a case-by-case basis unless otherwise specified in paragraphs (c)(2) through (c)(42) of this Supplement. No contract sanctity date is available.

(iii) *Sudan*. Applications for military end-users or end-uses in Sudan will generally be denied. Applications for export and reexport to non-military end-users or end-uses will be considered on a case-by-case basis unless otherwise specified in paragraphs (c)(2) through (c)(42) of this Supplement. No contract sanctity date is available.

(iv) *North Korea*. Applications for all end-users in North Korea will generally be denied.

**(5) All military-related items, i.e., applications for export and reexport of items controlled by CCL entries ending with the number "18".**

(i) *Iran*. Applications for all end-users in Iran will generally be denied. Contract sanctity date: see paragraph (c)(1)(i) of this Supplement.

(ii) *Syria*. Applications for all end-users in Syria will generally be denied. Contract sanctity date: see paragraph (c)(1)(ii) of this Supplement.

(iii) *Sudan*. Applications for all end-users in Sudan will generally be denied. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for all end-users in North Korea will generally be denied.

**(6) All aircraft (powered and unpowered), helicopters, engines, and related spare parts and components.**

(i) *Iran*. Applications for all end-users in Iran will generally be denied.

(A) Contract sanctity date for helicopters exceeding 10,000 lbs. empty weight or fixed wing aircraft valued at \$3 million or more: January 23, 1984.

(B) Contract sanctity date for other helicopters and aircraft and gas turbine engines therefor: September 28, 1984.

(C) Contract sanctity date for helicopter or aircraft parts and components controlled by 9A991.d: October 22, 1987.

(ii) *Syria*. Applications for all end-users in Syria will generally be denied.

(A) There is no contract sanctity for helicopters exceeding 10,000 lbs. empty weight or fixed wing aircraft valued at \$3 million or more; except that passenger aircraft, regardless of value, have a contract sanctity date of December 16, 1986, if destined for a regularly scheduled airline with assurance against military use.

(B) Contract sanctity date for helicopters with 10,000 lbs. empty weight or less: April 28, 1986.

(C) Contract sanctity date for other aircraft and gas turbine engines therefor: December 16, 1986.

(D) Contract sanctity date for helicopter or aircraft parts and components controlled by ECCN 9A991.d: August 28, 1991.

(iii) *Sudan*. Applications for all end-users in Sudan will generally be denied. Contract sanctity date: January 19, 1996.

(iv) *North Korea*. Applications for all end-users in North Korea will generally be denied.

**(7) Heavy duty, on-highway tractors.**

(i) *Iran*. Applications for all end-users in Iran

will generally be denied. Contract sanctity date: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis. Contract sanctity date: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date: January 19, 1996.

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea will generally be denied. Applications for non-military end-users or for non-military end-uses in North Korea will be considered on a case-by-case basis.

**(8) Off-highway wheel tractors of carriage capacity 9t (10 tons) or more.**

(i) *Iran*. Applications for all end-users in Iran will generally be denied. Contract sanctity date: October 22, 1987.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis. Contract sanctity date: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date: January 19, 1996.

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea will generally be denied. Applications for non-military end-users or for non-military end-uses in

North Korea will be considered on a case-by-case basis.

**(9) Large diesel engines (greater than 400 horsepower) and parts to power tank transporters.**

(i) *Iran*. Applications for all end-users in Iran will generally be denied. Contract sanctity date: October 22, 1987.

(ii) *Sudan*. Applications for military end-users or for military end-uses in Sudan will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date: January 19, 1996.

(iii) *North Korea*. Applications for military end-users or for military end-uses in North Korea will generally be denied. Applications for non-military end-users or for non-military end-uses in North Korea will be considered on a case-by-case basis.

**(10) Cryptographic, cryptoanalytic, and cryptologic equipment.**

(i) *Iran*. Applications for all end-users in Iran will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of cryptographic, cryptoanalytic, and cryptologic equipment that was subject to national security controls on October 22, 1987: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all other cryptographic, cryptoanalytic, and cryptologic equipment for all end-users: October 22, 1987.

(ii) *Syria*. A license is required for all national security-controlled cryptographic, cryptoanalytic, and cryptologic equipment to all end-users. Applications for all end-users in Syria will generally be denied. Contract sanctity date for cryptographic, cryptoanalytic, and cryptologic equipment that was subject to national security

controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(iii) *Sudan*. Applications for all end-users in Sudan of any such equipment will generally be denied. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for all end-users in North Korea of any such equipment will generally be denied.

**(11) Navigation, direction finding, and radar equipment.**

(i) *Iran*. Applications for all end-users in Iran will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of navigation, direction finding, and radar equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all other navigation, direction finding, and radar equipment for all end-users: October 22, 1987.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis.

(A) Contract sanctity date for exports of navigation, direction finding, and radar equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other navigation, direction finding, and radar equipment: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan of such equipment will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in North Korea will be considered on a case-by-case basis.

**(12) Electronic test equipment.**

(i) *Iran*. Applications for all end-users in Iran will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of electronic test equipment that was subject to national security controls on October 22, 1987: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all other electronic test equipment for all end-users: October 22, 1987.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis.

(A) Contract sanctity date for electronic test equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other electronic test equipment: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses, or for nuclear end-users or nuclear end-uses, in North Korea of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses, or for non-nuclear end-users or non-nuclear end-uses, in North Korea will be considered on a case-by-case basis.

### **(13) Mobile communications equipment.**

(i) *Iran*. Applications for all end-users in Iran of such equipment will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of mobile communications equipment that was subject to national security controls on October 22, 1987: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all end-users of all other mobile communications equipment: October 22, 1987.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis.

(A) Contract sanctity date for mobile communications equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for exports of all

other mobile communications equipment: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan of such equipment will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in North Korea will be considered on a case-by-case basis.

### **(14) Acoustic underwater detection equipment.**

(i) *Iran*. Applications for all end-users in Iran of such equipment will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of acoustic underwater detection equipment that was subject to national security controls on October 22, 1987: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all other acoustic underwater detection equipment for all end-users: October 22, 1987.

(ii) *Syria*. A license is required for acoustic underwater detection equipment that was subject to national security controls on August 28, 1991, to all end-users. Applications for military end-users or for military end-uses in Syria will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis. Contract sanctity date for acoustic underwater detection equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(iii) *Sudan*. Applications for military end-users or for military end-uses to Sudan of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of such equipment of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in North Korea of such equipment will be considered on a case-by-case basis.

**(15) Portable electric power generator.**

(i) *Iran*. Applications for all end-users in Iran of such equipment will generally be denied. Contract sanctity date: October 22, 1987.

(ii) *North Korea*. Applications for military end-users or for military end-uses in North Korea of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in North Korea of such equipment will be considered on a case-by-case basis.

**(16) Vessels and boats, including inflatable boats.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of vessels and boats that were subject to national security controls on October 22, 1987: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all other vessels and boats for all end-users: October 22, 1987.

(ii) *Syria*. A license is required for national security-controlled vessels and boats. Applications for military end-users or for military end-uses in Syria of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis. Contract sanctity date for vessels and boats that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in North Korea of these items will be considered on a case-by-case basis.

**(17) Marine and submarine engines (outboard/inboard, regardless of horsepower).**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of marine and submarine engines that were subject to national security controls on October 22, 1987: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for outboard engines of 45 HP or more for all end-users: September 28, 1984.

(C) Contract sanctity date for all other marine and submarine engines for all end-users: October 22, 1987.

(ii) *Syria*. A license is required for all marine and submarine engines subject to national security controls to all end-users. Applications for military end-users or for military end-uses in Syria of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis. Contract sanctity date for marine and submarine engines that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in North Korea of these items will be considered on a case-by-case basis.

#### **(18) Underwater photographic equipment.**

(i) *Iran*. Applications for all end-users in Iran of such equipment will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of underwater photographic equipment that was subject to national security controls on October 22, 1987: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all other underwater photographic equipment for all end-users: October 22, 1987.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such equipment will generally be denied. Applications for non-military end-users or for non-military

end-uses in Syria will be considered on a case-by-case basis.

(A) Contract sanctity date for underwater photographic equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other underwater photographic equipment: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for all end-users in North Korea of such equipment will generally be denied.

#### **(19) Submersible systems.**

(i) *Iran*. Applications for all end-users in Iran of such systems will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of submersible systems that were subject to national security controls on October 22, 1987: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all other submersible systems for all end-users: October 22, 1987.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such systems will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis.



(A) Contract sanctity date for submersible systems that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other submersible systems: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such systems will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for all end-users in North Korea of such equipment will generally be denied.

#### **(20) Scuba gear and related equipment.**

(i) *Iran*. Applications for all end-users in Iran of such equipment will generally be denied. No contract sanctity is available for such items to Iran.

(ii) *Sudan*. Applications for military end-users and end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date: January 19, 1996.

(iii) *North Korea*. Applications for all end-users in North Korea of such equipment will generally be denied.

#### **(21) Pressurized aircraft breathing equipment.**

(i) *Iran*. Applications for all end-users in Iran of such equipment will generally be denied. Contract sanctity date: October 22, 1987.

(ii) *Sudan*. Applications for military end-users

or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date: January 19, 1996.

(iii) *North Korea*. Applications for all end-users in North Korea of such equipment will generally be denied.

#### **(22) Computer numerically controlled machine tools.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of computer numerically controlled machine tools that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other computer numerically controlled machine tools for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of these items will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for computer numerically controlled machine tools that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for exports of all other computer numerically controlled machine tools: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign

policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for all end-users in North Korea of such equipment will generally be denied.

**(23) Vibration test equipment.**

(i) *Iran*. Applications for all end-users in Iran of such equipment will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of vibration test equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other vibration test equipment for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for vibration test equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for exports of all other vibration test equipment: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of these items will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

**(24) Digital computers with a CTP of 6 or above, assemblies, related equipment, equipment for development or production of magnetic and optical storage equipment, and materials for fabrication of head/disk assemblies.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(A) Contract sanctity dates for military end-users and end-uses of items that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all other items for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of these items will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity dates for items that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other items: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*.

(A) Computers with a CTP above 2000 MTOPS: Applications for all end-users will generally be denied.

(B) Computers with a CTP at or below 2000 MTOPS: Applications for military end-users or for military end-uses, or for nuclear end-users or nuclear end-uses, will generally be denied. Applications for non-military end-users or for non-military end-uses, or for non-nuclear end-users or non-nuclear end-uses, will be considered on a case-by-case basis.

## **(25) Telecommunications equipment.**

(i) A license is required for the following telecommunications equipment:

(A) Radio relay systems or equipment operating at a frequency equal to or greater than 19.7 GHz or "spectral efficiency" greater than 3 bit/s/Hz;

(B) Fiber optic systems or equipment operating at a wavelength greater than 1000 nm;

(C) "Telecommunications transmission systems" or equipment with a "digital transfer rate" at the highest multiplex level exceeding 45 Mb/s.

(ii) *Iran*. Applications for all end-users in Iran of such equipment will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of telecommunications equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other vibration test equipment for all end-users: August 28, 1991.

(iii) *Syria*. Applications for military end-users or for military end-uses in Syria of such equipment will generally be denied. Applications for

non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for exports of telecommunications equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for exports of all other telecommunications equipment: August 28, 1991.

(iv) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(v) *North Korea*. Applications for military end-users or for military end-uses in North Korea of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

## **(26) Microprocessors.**

(i) Operating at a clock speed over 25 MHz.

(A) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(1) Contract sanctity date for military end-users and end-uses of microprocessors that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(2) Contract sanctity dates for all other microprocessors for all end-users: August 28, 1991.

(B) *Syria*. Applications for military end-users or for military end-uses in Syria of these items

will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(1) Contract sanctity date for microprocessors that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(2) Contract sanctity date for all other microprocessors: August 28, 1991.

(C) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(ii) With a CTP of 550 MTOPS or above.

(A) *North Korea*. Applications for all end-users in North Korea of these items will generally be denied.

(B) [RESERVED]

#### **(27) Semiconductor manufacturing equipment.**

For Iran, Syria, Sudan, or North Korea a license is required for all such equipment described in ECCNs 3B001 and 3B991.

(i) *Iran*. Applications for all end-users in Iran of such equipment will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of semiconductor manufacturing equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other microprocessors for all end-users: August 28,

1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for semiconductor manufacturing equipment that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other semiconductor manufacturing equipment: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for all end-users in North Korea of such equipment will generally be denied.

#### **(28) Software specially designed for the computer-aided design and manufacture of integrated circuits.**

(i) *Iran*. Applications for all end-users in Iran of such software will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of such software that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other such software for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such software will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for such software that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other such software: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such software will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of such software will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

**(29) Packet switches. Equipment described in ECCN 5A991.c.**

(i) *Iran*. Applications for all end-users in Iran of such equipment will generally be denied.

(A) Contract sanctity date for military end-users and end-uses in Iran of packet switches that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other packet switches for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users

or for military end-uses in Syria of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for packet switches that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other packet switches: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of these items will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

**(30) Specially designed software for air traffic control applications that uses any digital signal processing techniques for automatic target tracking or that has a facility for electronic tracking.**

(i) *Iran*. Applications for all end-users in Iran of such software will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of such software that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other such software for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such software will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for such software that was subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for exports of all other such software: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such software will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of such software will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

**(31) Gravity meters having static accuracy of less (better) than 100 microgal, or gravity meters of the quartz element (worden) type.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of gravity meters that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other such gravity meters for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of these items will generally be denied. Applications for non-

military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for gravity meters that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for exports of all other such gravity meters: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of these items will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

**(32) Magnetometers with a sensitivity lower (better) than 1.0 nt rms per square root Hertz.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of such magnetometers that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other such magnetometers for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of these items will generally be denied. Applications for non-military end-users or for non-military end-uses

will be considered on a case-by-case basis.

(A) Contract sanctity date for such magnetometers that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other such magnetometers: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of these items will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

**(33) Fluorocarbon compounds described in ECCN 1C006.d for cooling fluids for radar.**

(i) *Iran*. Applications for all end-users in Iran of such compounds will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of such fluorocarbon compounds that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other such fluorocarbon compounds for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such compounds will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a

case-by-case basis.

(A) Contract sanctity date for such fluorocarbon compounds that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other such fluorocarbon compounds: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such compounds will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of these items will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

**(34) High strength organic and inorganic fibers (kevlar) described in ECCN 1C210.**

(i) *Iran*. Applications for all end-users in Iran of such fibers will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of high strength organic and inorganic fibers (kevlar) described in ECCN 1C210 that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other high strength organic and inorganic fibers (kevlar) described in ECCN 1C210 for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of such fibers

will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for high strength organic and inorganic fibers (kevlar) described in ECCN 1C210 that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other high strength organic and inorganic fibers (kevlar) described in ECCN 1C210: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of such fibers will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses, or for nuclear end-users or nuclear end-uses, in North Korea of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses, or for non-nuclear end-users or non-nuclear end-uses, in North Korea will be considered on a case-by-case basis.

**(35) Machines described in ECCNs 2B003 and 2B993 for cutting gears up to 1.25 meters in diameter.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of such machines that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other such machines for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of these items will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for machines that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other machines: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of these items will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

**(36) Aircraft skin and spar milling machines.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(A) Contract sanctity date for military end-users and end-uses of aircraft skin and spar milling machines that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity dates for all other aircraft skin and spar milling machines to all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of these items



will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

(A) Contract sanctity date for aircraft skin and spar milling machines that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other aircraft skin and spar milling machines: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for all end-users in North Korea of such equipment will generally be denied.

**(37) Manual dimensional inspection machines described in ECCN 2B996.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of manual dimensional inspection machines that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all other manual dimensional inspection machines for all end-users: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis.

(A) Contract sanctity date for such manual dimensional inspection machines that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other such manual dimensional inspection machines: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses, or for nuclear end-users or nuclear end-uses, in North Korea of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses, or for non-nuclear end-users or non-nuclear end-uses, in North Korea will be considered on a case-by-case basis.

**(38) Robots capable of employing feedback information in real time processing to generate or modify programs.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(A) Contract sanctity date for military end-users or end-uses of such robots that were subject to national security controls on August 28, 1991: see paragraphs (c)(1)(i) of this Supplement.

(B) Contract sanctity date for all other such robots: August 28, 1991.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in

Syria will be considered on a case-by case basis.

(A) Contract sanctity date for such robots that were subject to national security controls on August 28, 1991: see paragraph (c)(1)(ii) of this Supplement.

(B) Contract sanctity date for all other such robots: August 28, 1991.

(iii) *Sudan*. Applications for military end-users or for military end-uses in Sudan of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Sudan will be considered on a case-by-case basis. Contract sanctity date for Sudan: January 19, 1996, unless a prior contract sanctity date applies (e.g., items first controlled to Sudan for foreign policy reasons under EAA section 6(j) have a contract sanctity date of December 28, 1993).

(iv) *North Korea*. Applications for military end-users or for military end-uses, or for nuclear end-users or nuclear end-uses, in North Korea of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses, or for non-nuclear end-users or non-nuclear end-uses, in North Korea will be considered on a case-by-case basis.

**(39) Explosives detection equipment described in ECCN 2A983.**

(i) Explosives detection equipment described in ECCN 2A983, controlled prior to April 3, 2003 under ECCN 2A993.

(A) *Iran*. Applications for all end-users in Iran of these items will generally be denied. Contract sanctity date: January 19, 1996.

(B) *Syria*. Applications for all end-users in Syria of these items will generally be denied. Contract sanctity date: January 19, 1996.

(C) *Sudan*. Applications for all end-users in Sudan of these items will generally be denied. Contract sanctity date: January 19, 1996.

(D) *North Korea*. Applications for all end-users in North Korea of these items will generally be denied.

(ii) Explosives detection equipment described in ECCN 2A983, not controlled prior to April 3, 2003 under ECCN 2A993.

(A) *Iran*. Applications for all end-users in Iran of these items will generally be denied. Contract sanctity date for reexports by non-U.S. persons: March 21, 2003.

(B) *Syria*. Applications for all end-users in Syria of these items will generally be denied. Contract sanctity date: March 21, 2003.

(C) *Sudan*. Applications for all end-users in Sudan of these items will generally be denied. Contract sanctity date for reexports by non-U.S. persons: March 21, 2003.

(D) *North Korea*. Applications for all end-users in North Korea of these items will generally be denied. Contract sanctity date: March 21, 2003.

**(40) “Software” described in ECCN 2D983 specially designed or modified for the “development”, “production” or “use” of explosives detection equipment.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied. Contract sanctity date for reexports by non-U.S. persons: March 21, 2003.

(ii) *Syria*. Applications for all end-users in Syria of these items will generally be denied. Contract sanctity date: March 21, 2003.

(iii) *Sudan*. Applications for all end-users in Sudan of these items will generally be denied. Contract sanctity date for reexports by non-U.S. persons: March 21, 2003.

(iv) *North Korea*. Applications for all end-users in North Korea of these items will generally be denied. Contract sanctity date: March 21,

2003.

**(41) “Technology” described in ECCN 2E983 specially designed or modified for the “development”, “production” or “use” of explosives detection equipment.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied. Contract sanctity date for reexports by non-U.S. persons: March 21, 2003.

(ii) *Syria*. Applications for all end-users in Syria of these items will generally be denied. Contract sanctity date: March 21, 2003.

(iii) *Sudan*. Applications for all end-users in Sudan of these items will generally be denied. Contract sanctity date for reexports by non-U.S. persons: March 21, 2003.

(iv) *North Korea*. Applications for all end-users in North Korea of these items will generally be denied. Contract sanctity date: March 21, 2003.

**(42) Production technology controlled under ECCN 1C355 on the CCL.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(ii) *Syria*. Applications for military end-users or for military end-uses in Syria of these items will generally be denied. Applications for non-military end-users or for non-military end-uses in Syria will be considered on a case-by-case basis.

(iii) *Sudan*. Applications for all end-users in Sudan of these items will generally be denied.

(iv) *North Korea*. Applications for military end-users or for military end-uses in North Korea of these items will generally be denied. Applications for non-military end-users or for non-military end-uses will be considered on a case-by-case basis.

**(43) Commercial Charges and devices**

**controlled under ECCN 1C992 on the CCL.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(ii) *Syria*. Applications for all end-users in Syria of these items will generally be denied.

(iii) *Sudan*. Applications for all end-users in Sudan of these items will generally be denied.

(iv) *North Korea*. Applications for all end-users in North Korea of these items will generally be denied.

**(44) Ammonium nitrate, including certain fertilizers containing ammonium nitrate, under ECCN 1C997 on the CCL.**

(i) *Iran*. Applications for all end-users in Iran of these items will generally be denied.

(ii) *Syria*. Applications for all end-users in Syria of these items will generally be denied. Contract sanctity date: June 15, 2001.

(iii) *Sudan*. Applications for all end-users in Sudan of these items will generally be denied.

(iv) *North Korea*. Applications for all end-users in North Korea of these items will generally be denied. Contract sanctity date: June 15, 2001.

**(45) Specific processing equipment, materials and software controlled under ECCNs 0A999, 0B999, 0D999, 1A999, 1C999, 1D999, 2A999, 2B999, 3A999, and 6A999 on the CCL.**

(i) *North Korea*. Applications for military end-users or for military end-uses, or for nuclear end-users or nuclear end-uses, in North Korea of such equipment will generally be denied. Applications for non-military end-users or for non-military end-uses, or for non-nuclear end-users or non-nuclear end-uses, in North Korea will be considered on a case-by-case basis.

(ii) [RESERVED]



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**HIGH PERFORMANCE COMPUTERS; SAFEGUARD  
CONDITIONS AND RELATED INFORMATION**

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This Supplement sets forth the security conditions and safeguard plans for the export, reexport, or in-country transfer of high performance computers that may be imposed by BIS to certain destinations. The licensing policies for the export, reexport, or in-country transfer of high performance computers are set forth in §742.12 of this part.

**(a) *Safeguard conditions***

Following interagency review of the application, the Bureau of Industry and Security (BIS) will instruct the exporter to submit a safeguard plan signed by the ultimate consignee and certified by the export control authorities of the importing country (see *Certification by export control authorities of importing country* in this Supplement). The safeguard plan must indicate that the ultimate consignee agrees to implement those safeguards required by the BIS as a condition of issuing the license. BIS will inform exporters concerning which of the following safeguards will be imposed as license conditions:

- (1) The applicant will assume responsibility for providing adequate security against physical diversion of the computer during shipment (e.g., delivery by either attended or monitored shipment, using the most secure route possible—this precludes using the services or facilities of any country in Computer Tier 4).
- (2) There will be *no* reexport or intra-country transfer of the computer without prior written authorization from BIS.
- (3) The computer systems will be used only for those activities approved on the license or reexport authorization.
- (4) There will be no changes either in the end-users or the end-uses indicated on the license without prior written authorization by BIS.

(5) Only software that supports the approved end-uses will be shipped with the computer system.

(6) The end-user will station security personnel at the computer using facility to ensure that the appropriate security measures are implemented.

(7) The exporter will station representatives at the computer using facility, or make such individuals readily available, to guide the security personnel in the implementation and operation of the security measures.

(8) The security personnel will undertake the following measures under the guidance of the exporter's representatives:

(i) The physical security of the computer using facility;

(ii) The establishment of a system to ensure the round-the-clock supervision of computer security;

(iii) The inspection, if necessary, of any program or software to be run on the computer system in order to ensure that all usage conforms to the conditions of the license;

(iv) The suspension, if necessary, of any run in progress and the inspection of any output generated by the computer to determine whether the program runs or output conform with the conditions of the license;

(v) The inspection of usage logs daily to ensure conformity with the conditions of the license and the retention of records of these logs for at least a year;

(vi) The determination of the acceptability of computer users to ensure conformity with the conditions of the license;

(vii) The immediate reporting of any security

breaches or suspected security breaches to the government of the importing country and to the exporter's representatives;

(viii) The execution of the following key tasks:

- (A) Establishment of new accounts;
- (B) Assignment of passwords;
- (C) Random sampling of data;
- (D) Generation of daily logs;

(ix) The maintenance of the integrity and security of tapes and data files containing archived user files, log data, or system backups.

(9) The exporter's representatives will be present when certain key functions are being carried out (e.g., the establishment of new accounts, the assignment of passwords, the random sampling of data, the generating of daily logs, the setting of limits to computer resources available to users in the development mode, the certification of programs for conformity to the approved end-uses before they are allowed to run in the production mode, and the modification to previously certified production programs).

(10) The security personnel and the exporter's representatives will provide monthly reports on the usage of the computer system and on the implementation of the safeguards.

(11) The computer system will be housed in one secure building and protected against theft and unauthorized entry at all times.

(12) Restricted nationals, i.e., nationals of Computer Tier 4 countries, will not be allowed access to computers:

(i) No physical or computational access to computers may be granted to restricted nationals without prior written authorization from BIS, except that commercial consignees as described in this Supplement are prohibited only from giving

such nationals user-accessible programmability without prior written authorization;

(ii) No passwords or IDs may be issued to restricted nationals;

(iii) No work may be performed on the computer on behalf of restricted nationals; and

(iv) No conscious or direct ties may be established to networks (including their subscribers) operated by restricted nationals.

(13) Physical access to the computer, the operator consoles, and sensitive storage areas of the computer using facility will be controlled by the security personnel, under the guidance and monitoring of the exporter's representatives, and will be limited to the fewest number of people needed to maintain and run the computer system.

(14) The computer will be equipped with the necessary software to: permit access to authorized persons only, detect attempts to gain unauthorized access, set and maintain limits on usage, establish accountability for usage, and generate logs and other records of usage. This software will also maintain the integrity of data and program files, the accounting and audit system, the password or computational access control system, and the operating system itself.

(i) The operating system will be configured so that all jobs can be designated and tracked as either program development jobs or as production jobs.

(ii) In the program development mode, users will be free, following verification that their application conforms to the agreed end-use, to create, edit, or modify programs, to use utilities such as editors, debuggers, or compilers and to verify program operation. Programs in the development mode will be subject to inspection as provided by paragraph (a)(8)(iii) of this Supplement.

(iii) In the production mode, users will have access to the full range of computer resources, but

will be prohibited from modifying any program or using utilities that could modify any program. Before being allowed to run in the production mode, a program will have to be certified for conformity to approved end-uses by the security personnel and the exporter's representatives.

(iv) Programs certified for execution in the production mode will be protected from unauthorized modification by appropriate software and physical security measures. Any modifications to previously certified production programs will be approved by the security personnel under the guidance and monitoring of the exporter's representatives.

(v) The computer will be provided with accounting and audit software to ensure that detailed logs are maintained to record all computer usage. A separate log of security-related events will also be kept.

(vi) For each job executed in the production mode, the operating system will record execution characteristics in order to permit generation of a statistical profile of the program executed.

(15) The source code of the operating system will be accessible only to the exporter's representatives. Only those individuals will make changes in this source code.

(16) The security personnel, under the guidance of the exporter's representatives, will change passwords for individuals frequently and at unpredictable intervals.

(17) The security personnel, under the guidance of the exporter's representatives, will have the right to deny passwords to anyone. Passwords will be denied to anyone whose activity does not conform to the conditions of the license.

(18) Misuse of passwords by users will result in denial of further access to the computer.

(19) The exporter's representatives will install a strict password system and provide guidance on its implementation.

(20) Only the exporter's representatives will be trained in making changes in the password system and only they will make such changes.

(21) No computer will be networked to other computers outside the computer center without prior authorization from BIS.

(22) Generally, remote terminals will not be allowed outside the computer using facility without prior authorization by BIS. If remote terminals are specifically authorized by the license:

(i) The terminals will have physical security equivalent to the safeguards at the computer using facility;

(ii) The terminals will be constrained to minimal amounts of computer resources (CPU time, memory access, number of input-output operations, and other resources);

(iii) The terminals will *not* be allowed direct computational access to the computer (i.e., the security personnel, under the guidance of the exporter's representatives, will validate the password and identity of the user of any remote terminals before any such user is permitted to access the computer); all terminals will be connected to the computer system by a dedicated access line and a network access controller.

(23) There will be no direct input to the computer from remote terminals. Any data originating from outside the computer using facility, except for direct input from terminals within the same compound as the computer using facility, will first be processed by a separate processor or network access controller in order to permit examination of the data prior to its entry into the computer.

(24) The exporter will perform all maintenance of the computer system.

(25) Spare parts kept on site will be limited to the minimum amount. Spares will be kept in an area accessible only to the exporter's representatives.

These representatives will maintain a strict audit system to account for all spare parts.

(26) No development or production technology on the computer system will be sent with the computer to the ultimate consignee.

(27) The end-user must immediately report any suspicions or facts concerning possible violations of the safeguards to the exporter and to the export control authorities of the importing country.

(28) The exporter must immediately report any information concerning possible violations of the safeguards to BIS. A violation of the safeguards might constitute grounds for suspension or termination of the license, preventing the shipment of unshipped spare parts, or the denial of additional licenses for spare parts, etc.

(29) The end-user will be audited quarterly by an independent consultant who has been approved by the export control authorities of the importing and exporting countries, but is employed at the expense of the end-user. The consultant will audit the computer usage and the implementation of the safeguards.

(30) The installation and operation of the computer will be coordinated and controlled by the following management structure:

(i) *Steering Committee.* The Steering Committee will comprise nationals of the importing country who will oversee the management and operation of the computer.

(ii) *Security Staff.* The Security Staff will be selected by the end-user or the government of the importing country to ensure that the required safeguards are implemented. This staff will be responsible for conducting an annual audit to evaluate physical security, administrative procedures, and technical controls.

(iii) *Technical Consultative Committee.* This committee will comprise technical experts from the importing country and the exporting company who will provide guidance in operating

and maintaining the computer. At least one member of the committee will be an employee of the exporter. The committee will approve all accounts and maintain an accurate list of all users. In addition, the committee will advise the Steering Committee and the Security Staff concerning the security measures needed to ensure compliance with the safeguards required by the license.

(31) An ultimate consignee who is a multiple-purpose end-user, such as a university, will establish a peer review group comprising experts who represent each department or application area authorized for use on the computer under the conditions of the license. This group shall have the following responsibilities:

(i) Review all requests for computer usage and make recommendations concerning the acceptability of all projects and users;

(ii) Submit these recommendations to the Security Staff and Technical Consultative Committee for review and approval (see paragraph (a)(28) of this Supplement);

(iii) Establish acceptable computer resource parameters for each project and review the results to verify their conformity with the authorized end-uses, restrictions, and parameters; and

(iv) Prepare monthly reports that would include a description of any runs exceeding the established parameters and submit them to the security staff.

(32) The end-user will also cooperate with any post-shipment inquiries or inspections by the U.S. Government or exporting company officials to verify the disposition and/or use of the computer, including access to the following:

(i) Usage logs, which should include, at a minimum, computer users, dates, times of use, and amount of system time used;

(ii) Computer access authorization logs, which should include, at a minimum, computer users, project names, and purpose of projects.



**(33)** The end-user will also cooperate with the U.S. Government or exporting company officials concerning the physical inspection of the computer using facility, on short notice, at least once a year and will provide access to all data relevant to computer usage. This inspection will include:

(i) Analyzing any programs or software run on the computer to ensure that all usage complies with the authorized end-uses on the license. This will be done by examining user files (e.g., source codes, machine codes, input/output data) that are either on-line at the time of the inspection or that have been previously sampled and securely stored.

(ii) Checking current and archived usage logs for conformity with the authorized end-uses and the restrictions imposed by the license.

(iii) Verifying the acceptability of all computer users in conformity with the authorized end-uses and the restrictions imposed by the license.

**(34)** Usage requests that exceed the quantity of monthly CPU time specified on the license shall not be approved without prior written authorization from the BIS. Requests for computational access approval shall include a description of the intended purpose for which access is sought.

**(35)** In addition to, or in lieu of, the normal access by on-site exporting company staff or its representatives, the company, when required by the exporting government, will provide a separate remote electronic access capability to the computer for the purposes of maintenance, troubleshooting, inspection of work in progress, and auditing of all work performed on the computer. On-site and central exporting company hardware and software maintenance facilities, at the direction of the exporting company staff or its representatives, to gather information such as:

- (i) Statistical profiles of production jobs;
- (ii) Logs of jobs run in both production and

development mode;

- (iii) Logs and reports of security related events.

If such method is used, the remote maintenance facilities will be considered part of the operating system and protected accordingly, and will be available only to exporting company operational staff or its representatives. The maintenance hardware and software and associated communication links will be protected to ensure the integrity and authenticity of data and programs and to prevent tampering with hardware.

**(36)** The export company staff or its representatives will be required to provide personnel for a specified period of time at the computer facility for management, operation, and safeguarding of the computer.

***(b) Certification by export control authorities of importing country***

**(1)** The following importing government certification may be required under §742.12 of this part:

This is to certify that *(name of ultimate consignee)* has declared to *(name of appropriate foreign government agency)* that the computer *(model name)* will be used only for the purposes specified in the end-use statement and that the ultimate consignee will establish and adhere to all the safeguard conditions and perform all other undertakings described in the end-use statement.

The *(name of appropriate foreign government agency)* will advise the United States Government of any evidence that might reasonably indicate the existence of circumstances (e.g., transfer of ownership) that could affect the objectives of the security safeguard conditions.

**(2)** Other importing government assurances regarding prohibited activities may also be required on a case-by-case basis.

**(c) *Commercial consignees***

Exports or reexports of computers that are solely dedicated to the following non-scientific and non-technical commercial business uses will usually be eligible for a reduced set of security safeguard conditions:

**(1)** Financial services (e.g., banking, securities and commodity exchanges);

**(2)** Insurance;

**(3)** Reservation systems;

**(4)** Point-of-sales systems;

**(5)** Mailing list maintenance for marketing purposes;

**(6)** Inventory control for retail/wholesale distribution.

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**KEY ESCROW OR KEY RECOVERY PRODUCTS CRITERIA**

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**Key Recoverable Feature**

- (1) The key(s) or other material/information required to decrypt ciphertext shall be accessible through a key recoverable feature.
- (2) The product's cryptographic functions shall be inoperable until the key(s) or other material/information required to decrypt ciphertext is recoverable by government officials under proper legal authority and without the cooperation or knowledge of the user.
- (3) The output of the product shall automatically include, in an accessible format and with a frequency of at least once every three hours, the identity of the key recovery agent(s) and information sufficient for the key recovery agent(s) to identify the key(s) or other material/information required to decrypt the ciphertext.
- (4) The product's key recoverable functions shall allow access to the key(s) or other material/information needed to decrypt the ciphertext regardless of whether the product generated or received the ciphertext.
- (5) The product's key recoverable functions shall allow for the recovery of all required decryption key(s) or other material/information required to decrypt ciphertext during a period of authorized access without requiring repeated presentations of access authorization to the key recovery agent(s).

**Interoperability Feature**

- (6) The product's cryptographic functions may:
  - (i) Interoperate with other key recoverable products that meet these criteria, and shall not interoperate with products whose key recovery feature has been altered, bypassed, disabled, or otherwise rendered inoperative;
  - (ii) Send information to non-key recoverable products only when assured access is permitted to the key(s) or other material/information needed to decrypt ciphertext generated by the key recoverable product. Otherwise, key length is restricted to less than or equal to 56-bit DES or equivalent.
  - (iii) Receive information from non-key recoverable products with a key length restricted to less than or equal to 56-bit DES or equivalent.

**Design, Implementation  
and Operational Assurance**

- (7) The product shall be resistant to efforts to disable or circumvent the attributes described in criteria one through six.
- (8) The product's cryptographic function's key(s) or other material/information required to decrypt ciphertext shall be accessible to government officials under proper legal authority.

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**CHECKLIST ON ENCRYPTION AND OTHER “INFORMATION SECURITY” FUNCTIONS**

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1. Does your product perform “cryptography”, or otherwise contain any parts or components that are capable of performing any of the following “information security” functions?

(Mark with an “X” all that apply)

- a. ☐ encryption
- b. ☐ decryption only (no encryption)
- c. ☐ key management / public key infrastructure (PKI)
- d. ☐ authentication (e.g., password protection, digital signatures)
- e. ☐ copy protection
- f. ☐ anti-virus protection
- g. ☐ other (please explain) : \_\_\_\_\_
- h. ☐ **NONE / NOT APPLICABLE**

2. For items with encryption, decryption and/or key management functions (1.a, 1.b, 1.c above):

- a. What symmetric algorithms and key lengths (e.g., 56-bit DES, 112 / 168-bit Triple-DES, 128 / 256-bit AES / Rijndael) are implemented or supported?
- b. What asymmetric algorithms and key lengths (e.g., 512-bit RSA / Diffie-Hellman, 1024 / 2048-bit RSA / Diffie-Hellman) are implemented or supported?
- c. What encryption protocols (e.g., SSL, SSH, IPSEC or PKCS standards) are implemented or supported?
- d. What type of data is encrypted?

3. For products that contain an “encryption component”, can this encryption component be easily used by another product, or else accessed / re-transferred by the end-user for cryptographic use?

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**GUIDELINES FOR SUBMITTING REVIEW REQUESTS FOR ENCRYPTION ITEMS**

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Review requests for encryption items must be submitted on Form BIS-748P (Multipurpose Application), or its electronic equivalent, and supported by the documentation described in this Supplement, in accordance with the procedures described in §748.3 of the EAR. To ensure that your review request is properly routed, insert the phrase “Mass market encryption” or “License Exception ENC” (whichever is applicable) in Block 9 (Special Purpose) of the application form and place an “X” in the box marked “Classification Request” in Block 5 (Type of Application) – Block 5 does not provide a separate item to check for the submission of encryption review requests. Failure to properly complete these items may delay consideration of your review request. BIS recommends that review requests be delivered via courier service to:

Bureau of Industry and Security  
U.S. Department of Commerce  
14th Street and Pennsylvania Ave., N.W.  
Room 2705  
Washington, D.C. 20230

For electronic submissions via SNAP, you may fax a copy of the support documents to BIS at (202) 219-9179 or -9182 or you may deliver the documents via courier service to:

Bureau of Industry and Security  
Information Technology Controls Division  
Room 2625  
14th Street and Pennsylvania Ave., N.W.  
Washington, D.C. 20230

In addition, you must send a copy of your review request and all support documents to:

Attn: ENC Encryption Request Coordinator  
9800 Savage Road, Suite 6131  
Fort Meade, MD 20755-6000

For all review requests of encryption items, you must provide brochures or other documentation or specifications related to the technology,

commodity or software, relevant product descriptions, architecture specifications, and as necessary for the technical review, source code. You must also indicate whether there have been any prior reviews of the product, if such reviews are applicable to the current submission. In addition, you must provide the following information in a cover letter accompanying your review request:

(a) State the name of the encryption item being submitted for review.

(b) State that a duplicate copy has been sent to the ENC Encryption Request Coordinator.

(c) For review requests for a commodity or software, provide the following information:

(1) Description of all the symmetric and asymmetric encryption algorithms and key lengths and how the algorithms are used. Specify which encryption modes are supported (e.g., cipher feedback mode or cipher block chaining mode).

(2) State the key management algorithms, including modulus sizes, that are supported.

(3) For products with proprietary algorithms, include a textual description and the source code of the algorithm.

(4) Describe the pre-processing methods (e.g., data compression or data interleaving) that are applied to the plaintext data prior to encryption.

(5) Describe the post-processing methods (e.g., packetization, encapsulation) that are applied to the cipher text data after encryption.

(6) State the communication protocols (e.g., X.25, Telnet or TCP) and encryption protocols (e.g., SSL, IPSEC or PKCS standards) that are supported.

(7) Describe the encryption-related Application Programming Interfaces (APIs) that are

implemented and/or supported. Explain which interfaces are for internal (private) and/or external (public) use.

(8) Describe whether the cryptographic routines are statically or dynamically linked, and the routines (if any) that are provided by third-party modules or libraries. Identify the third-party manufacturers of the modules or toolkits.

(9) For commodities or software using Java byte code, describe the techniques (including obfuscation, private access modifiers or final classes) that are used to protect against decompilation and misuse.

(10) State how the product is written to preclude user modification of the encryption algorithms, key management and key space.

(11) For products that qualify as “retail”, explain how the product meets the listed criteria in §740.17(b)(3) of the EAR.

(12) For products which incorporate an open cryptographic interface as defined in part 772 of the EAR, describe the Open Cryptographic Interface.

(d) For review requests regarding components, provide the following additional information:

(1) Reference the application for which the

components are used in, if known;

(2) State if there is a general programming interface to the component;

(3) State whether the component is constrained by function; and

(4) Identify the encryption component and include the name of the manufacturer, component model number or other identifier.

(e) For review requests for source code, provide the following information:

(1) If applicable, reference the executable (object code) product that was previously reviewed;

(2) Include whether the source code has been modified, and the technical details on how the source code was modified; and

(3) Include a copy of the sections of the source code that contain the encryption algorithm, key management routines and their related calls.

(f) For step-by-step instructions and guidance on submitting review requests for encryption items, visit our webpage at [www.bis.doc.gov/Encryption](http://www.bis.doc.gov/Encryption) and click on the navigation button labeled “Guidance”.

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**[RESERVED]**

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